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1 UNITED STATES DISTRICT COURT

2 DISTRICT OF MINNESOTA

3 -----

4 Andrea Ferkingstad,

5 Plaintiff,

6 vs. Civil Action No. 16-cv-03565-JNE-BRT

7 Accounts Receivable Services, LLC,

8 Defendant.

9 -----

10

11 DEPOSITION OF BONITA J. DRENNEN

12 VOLUME I, PAGES 1 - 98

13 OCTOBER 24, 2017

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15

16 (The following is the deposition of BONITA

17 J. DRENNEN, taken pursuant to Notice of Taking

18 Deposition, at the offices of Bassford Remele, 100

19 South Fifth Street, Suite 1500, in the City of

20 Minneapolis, State of Minnesota, commencing at

21 approximately 9:01 o'clock a.m., October 24, 2017.)

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23

24

25

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1 PROCEEDINGS

2 (Exhibits 19 & 20 marked for

3 identification.)

09:01:40 4 (Witness sworn.)

5 BONITA J. DRENNEN,

6 Called as a witness, being first

7 duly sworn, was examined and

8 testified as follows:

9 EXAMINATION

10 BY MR. SCHWIEBERT:

09:02:00 11 Q. Good morning, Ms. Drennen.

09:02:01 12 A. Good morning.

09:02:02 13 Q. Can you please state and spell your full

09:02:04 14 name for the record?

09:02:04 15 A. Bonita, B-O-N-I-T-A, J., Drennen,

09:02:10 16 D-R-E-N-N-E-N.

09:02:10 17 Q. Have you ever been deposed before?

09:02:15 18 A. Once.

09:02:16 19 Q. Okay.

09:02:17 20 A. Many years ago.

09:02:21 21 Q. I'm just going to go over the ground rules.

09:02:25 22 You probably heard me explain this yesterday.

09:02:27 23 A. Yes.

09:02:28 24 Q. The court reporter is going to transcribe

09:02:30 25 all of my questions and all of your answers.

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1 APPEARANCES:

2 On Behalf of the Plaintiff:

3 Darren Brayer Schwiebert

4 DBS LAW LLC

5 301 Fourth Avenue South

6 Suite 280N

7 Minneapolis, Minnesota 55415

8 On Behalf of the Defendant:

9 Michael J. Klutho

10 BASSFORD REMELE, P.A.

11 100 South Fifth Street

12 Suite 1500

13 Minneapolis, Minnesota 55415

14

| 15 | 16 | 17 | 18 | 19 |
|----------------|----------------|------|----|----|
| WITNESS | EXAMINED BY | PAGE | | |
| 11 Ms. Drennen | Mr. Schwiebert | | 4 | |
| | Mr. Klutho | | 95 | |

12

| 13 | 14 | 15 | 16 | 17 |
|---------|---------------------------------------|------|----|----|
| EXHIBIT | DESCRIPTION | PAGE | | |
| 19 | AMENDED NOTICE OF TAKING DEPOSITION | 3 | | |
| 14 | OF ACCOUNTS RECEIVABLE SERVICES, | | | |
| | LLC, September 8, 2017, 2 pgs. | | | |
| 15 | 20 DECLARATION OF BONITA DRENNEN, | 3 | | |
| | 5-3-17, ARS0016 to 0018 | | | |
| 16 | 21 Blanket Purchase Agreement, 1 pg. | 34 | | |
| | 22 Group exhibit, STATEMENT OF CLAIM | 69 | | |
| 17 | AND SUMMONS and additional, ARS0001 | | | |
| | to 0018 | | | |
| 18 | 23 DEFENDANT'S ANSWERS TO PLAINTIFF'S | 83 | | |
| | FIRST SET OF INTERROGATORIES, | | | |
| 19 | DOCUMENT REQUESTS AND REQUESTS FOR | | | |
| | ADMISSIONS, June 16, 2017, 8 pgs. | | | |

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09:02:33 1 A. Okay.

09:02:33 2 Q. In order for that to be an effective way to

09:02:36 3 capture your testimony under oath there are two things

09:02:39 4 that we need to do. The first is we can't talk over

09:02:43 5 each other. I will try my best to wait until you've

09:02:48 6 given your full answer before I ask the next question,

09:02:51 7 and all I ask is that you wait until I get the full

09:02:54 8 question out before you start answering.

09:02:57 9 Do you understand that?

09:02:57 10 A. Yes.

09:02:58 11 MR. KLUTHO: Can I just ask you a question?

09:03:00 12 Were you here yesterday for Jocelyn Fountain's

09:03:02 13 deposition?

09:03:03 14 THE WITNESS: Yes, I was.

09:03:04 15 MR. KLUTHO: Did you hear all of his

09:03:05 16 instructions to her?

09:03:07 17 THE WITNESS: Yes, I dd.

09:03:07 18 MR. KLUTHO: And you agree to abide by

09:03:09 19 those?

09:03:10 20 THE WITNESS: I do.

09:03:10 21 MR. KLUTHO: Okay.

09:03:10 22 BY MR. SCHWIEBERT:

09:03:10 23 Q. The second thing is, your answers have to be

09:03:12 24 verbal, "yes," "no," "I don't know." Nods, head

09:03:17 25 shrugs, uh-hmm's, can't be captured by the court

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09:03:21 **1** reporter as being an answer to the question.
 09:03:22 **2** Do you understand that?
 09:03:23 **3** **A.** I do.
 09:03:24 **4** **Q.** If at any point you need a break, all you
 09:03:26 **5** have to do is ask and we'll take break. All that I
 09:03:29 **6** ask is that you answer whatever question is pending
 09:03:31 **7** before you take a break.
 09:03:32 **8** Is that fair?
 09:03:33 **9** **A.** Yes.
 09:03:33 **10** **Q.** I want to make sure that we get your
 09:03:35 **11** testimony accurately, so if I ask a question and you
 09:03:39 **12** don't understand the question, all I ask is that you
 09:03:42 **13** ask me to rephrase it or explain the question and I
 09:03:45 **14** will do so.
 09:03:46 **15** Is that fair?
 09:03:47 **16** **A.** Yes.
 09:03:47 **17** **Q.** And I'm going to presume if you answer a
 09:03:50 **18** question, because you didn't ask for a clarification,
 09:03:51 **19** that you understood the question that I asked.
 09:03:54 **20** Is that fair?
 09:03:55 **21** **A.** Yes.
 09:03:56 **22** **Q.** Are you --
 09:03:57 **23** MR. KLUTHO: Ms. Drennen, those are the
 09:04:02 **24** exact same things that he asked Ms. Fountain and I
 09:04:05 **25** asked you did you understand and you said you
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09:04:42 **1** **Q.** Are you on any such medication?
 09:04:44 **2** **A.** No.
 09:04:45 **3** MR. KLUTHO: Let's go on the record. We
 09:04:47 **4** are on the record. I'm going to mark as Exhibit 1
 09:04:50 **5** the order that the judge has issued in this case.
 09:04:53 **6** Are you going to just keep going with the
 09:04:56 **7** same exhibits, counsel?
 09:04:57 **8** MR. SCHWIEBERT: One sequential numbering.
 09:04:59 **9** THE REPORTER: Yes, we are.
 09:05:00 **10** MR. KLUTHO: Very good. Thank you.
 09:05:01 **11** Exhibit 1 is the -- I believe the order issued by the
 09:05:04 **12** Court, or it is the 28 United States Code, Section
 09:05:08 **13** 1927, counsel's liability for excessive costs.
 09:05:10 **14** I, counsel, remind you again and I'm now
 09:05:12 **15** going to repeat myself from yesterday, this case is
 09:05:16 **16** limited to a snapshot in time as to what was
 09:05:20 **17** represented at the time that the conciliation court
 09:05:23 **18** action was under way. And your fishing expedition
 09:05:29 **19** yesterday was, again, not appreciated, we will be
 09:05:32 **20** making a motion with respect to that. And I again
 09:05:34 **21** remind you that the vast majority of what you have in
 09:05:40 **22** your deposition topics have nothing to do with the
 09:05:42 **23** issue that the Court has indicated is still in play,
 09:05:45 **24** and I ask you to abide with what the Court has
 09:05:49 **25** indicated, and to the extent you don't we will be
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09:04:07 **1** understood and you agreed to those; correct?
 09:04:09 **2** THE WITNESS: Correct.
 09:04:09 **3** MR. KLUTHO: Is there a reason why you
 09:04:11 **4** redid that, counsel?
 09:04:12 **5** **Q.** Ms. Drennen, are you on any medication today
 09:04:14 **6** that would prevent you from providing complete and
 09:04:17 **7** accurate testimony?
 09:04:18 **8** **A.** No.
 09:04:20 **9** MR. KLUTHO: Okay.
 09:04:20 **10** **Q.** Now I know, because your counsel's told me,
 09:04:22 **11** you recently had a surgery, maybe it was awhile ago.
 09:04:26 **12** Is that correct?
 09:04:27 **13** **A.** Yes.
 09:04:27 **14** **Q.** And you're not on any medication from that
 09:04:28 **15** --
 09:04:28 **16** MR. KLUTHO: Counsel, she just said she
 09:04:30 **17** isn't. Move on.
 09:04:31 **18** **Q.** -- from that surgery that would prevent you
 09:04:32 **19** from giving accurate testimony?
 09:04:33 **20** MR. KLUTHO: Don't answer the question.
 09:04:34 **21** You've already answered it.
 09:04:36 **22** **Q.** Do you understand the question?
 09:04:38 **23** MR. KLUTHO: She understands the question.
 09:04:39 **24** **A.** Yes.
 09:04:40 **25** MR. KLUTHO: She already has answered it.
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09:05:51 **1** seeking our costs and fees and sanctions. That you
 09:05:55 **2** very much.
 09:05:56 **3** MR. SCHWIEBERT: Are you done?
 09:05:58 **4** MR. KLUTHO: As I indicated yesterday, once
 09:06:00 **5** my mouth stops moving, words stop coming out, that
 09:06:03 **6** means I'm finished.
 09:06:06 **7** BY MR. SCHWIEBERT:
 09:06:10 **8** **Q.** Ms. Drennen, did you bring some documents
 09:06:12 **9** with you today to assist in your testimony?
 09:06:15 **10** **A.** Yes.
 09:06:16 **11** **Q.** Can I look at those real quick?
 09:06:18 **12** **A.** Absolutely. [Handing.]
 09:06:20 **13** MR. KLUTHO: Counsel, that's the packet of
 09:06:21 **14** discovery that you -- the deposition notice. That's
 09:06:25 **15** all it is.
 09:07:02 **16** **Q.** So that we use the same numbering sequence,
 09:07:06 **17** I'm going to attempt to recreate exactly what you have
 09:07:09 **18** in that pack by marking the top two pages as Exhibit
 09:07:14 **19** 19, and your --
 09:07:24 **20** What did I do with it? Oh here it is.
 09:07:45 **21** -- and your affidavit -- your declaration,
 09:07:47 **22** as Exhibit number 20.
 09:07:53 **23** And if you can just confirm for me, since I
 09:07:57 **24** notice the last couple of pages in yours are not --
 09:08:00 **25** you can't read them, that this combination of Exhibits
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09:08:06 **1** 19, 6, 7, 8, 20, 11, 12 and 13 make up those
 09:08:18 **2** documents.
 09:08:18 **3** MR. KLUTHO: Counsel, I have no idea what
 09:08:20 **4** you're doing.
 09:08:22 **5** Q. Do you understand my question, ma'am?
 09:08:24 **6** A. No, I do not.
 09:08:25 **7** MR. KLUTHO: It doesn't matter.
 09:08:26 **8** Q. Can you just look at the pile in front of
 09:08:28 **9** you --
 09:08:28 **10** A. Yes.
 09:08:29 **11** Q. -- and please confirm that what I've handed
 09:08:31 **12** you --
 09:08:31 **13** MR. KLUTHO: Just ask questions.
 09:08:33 **14** Q. -- as marked exhibits is the same Notice of
 09:08:35 **15** Deposition under which you're appearing today?
 09:08:38 **16** MR. KLUTHO: I'm taking the exhibits. I
 09:08:40 **17** will go through and see if counsel has done what he
 09:08:44 **18** has represented he has done.
 09:08:50 **19** Do you have copies for me, counsel?
 09:08:52 **20** MR. SCHWIEBERT: Oh, yeah. Here's the
 09:08:54 **21** whole stack [handing].
 09:08:54 **22** MR. KLUTHO: Thank you.
 09:09:08 **23** (Counsel reviewing exhibits.)
 09:09:12 **24** MR. KLUTHO: No, they don't work. Yes,
 09:09:15 **25** that page is the same first page. No, this is the --
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09:10:07 **1** notice.
 09:10:08 **2** Q. Is this the deposition notice --
 09:10:10 **3** MR. KLUTHO: Yes. We'll stipulate to it.
 09:10:12 **4** MR. SCHWIEBERT: Thank you.
 09:10:18 **5** BY MR. SCHWIEBERT:
 09:10:19 **6** Q. Are you an employee of Accounts Receivable
 09:10:24 **7** Services, LLC?
 09:10:24 **8** A. Yes.
 09:10:26 **9** Q. And you understand that if I use the
 09:10:28 **10** expression "ARS" I also mean "Accounts Receivable
 09:10:32 **11** Services, LLC."
 09:10:32 **12** A. Yes.
 09:10:33 **13** Q. That's another name Accounts Receivable
 09:10:35 **14** Services, LLC goes by, ARS.
 09:10:36 **15** MR. KLUTHO: Counsel, please stop laughing,
 09:10:38 **16** it is offensive, it's argumentative. Stop it.
 09:10:44 **17** A. Yes.
 09:10:49 **18** Q. Accounts Receivable Services, LLC also goes
 09:10:51 **19** by the name Reliance Recoveries; correct?
 09:10:54 **20** A. It's a d/b/a Reliance Recoveries, yes.
 09:10:57 **21** Q. Reliance Recoveries is a d/b/a of Accounts
 09:11:01 **22** Receivable Services, LLC.
 09:11:01 **23** A. Yes.
 09:11:02 **24** Q. Are you an employee of Allina?
 09:11:09 **25** A. No.
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09:09:19 **1** MR. SCHWIEBERT: Can you look at the page
 09:09:19 **2** that's to your right, please?
 09:09:21 **3** THE WITNESS: Oh, I'm sorry. [Handing.]
 09:09:36 **4** MR. KLUTHO: Counsel, let's do this. This
 09:09:38 **5** deposition notice did not require this witness to
 09:09:40 **6** bring anything with her. Mark exhibits as you've got
 09:09:46 **7** and ask your questions.
 09:09:48 **8** BY MR. SCHWIEBERT:
 09:09:48 **9** Q. Ma'am --
 09:09:51 **10** MR. SCHWIEBERT: Well she brought those
 09:09:52 **11** with her.
 09:09:52 **12** MR. KLUTHO: Fine.
 09:09:53 **13** MR. SCHWIEBERT: Well put them back on the
 09:09:54 **14** table, --
 09:09:55 **15** MR. KLUTHO: No.
 09:09:55 **16** MR. SCHWIEBERT: -- I'm going to mark them
 09:09:56 **17** as an exhibit.
 09:09:57 **18** MR. KLUTHO: You've got them marked as an
 09:09:59 **19** exhibit.
 09:09:59 **20** MR. SCHWIEBERT: Please hand me the
 09:10:00 **21** documents the witness brought with her today to
 09:10:04 **22** assist her in her testimony. She's already testified
 09:10:05 **23** about them.
 09:10:05 **24** MR. KLUTHO: She hasn't testified about
 09:10:05 **25** anything. She said that she brought the deposition
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09:11:09 **1** Q. How many employees of ARS are there?
 09:11:14 **2** MR. KLUTHO: I'll object to the question as
 09:11:16 **3** not within the scope of the request.
 09:11:19 **4** Don't answer it.
 09:11:20 **5** MR. SCHWIEBERT: Are you instructing her
 09:11:21 **6** not to answer?
 09:11:22 **7** MR. KLUTHO: Yeah. Show me where it is in
 09:11:24 **8** this list of topics that you asked this witness to
 09:11:25 **9** come testify about.
 09:11:29 **10** Where in this list is it in the topics that
 09:11:31 **11** you asked her to testify about?
 09:11:31 **12** BY MR. SCHWIEBERT:
 09:11:32 **13** Q. Accounts Receivable Services is an LLC,
 09:11:37 **14** which means, unlike a partnership or corporation,
 09:11:38 **15** there's no partners or shareholders, there are
 09:11:41 **16** members. Are you a member of Accounts Receivable
 09:11:45 **17** Services, LLC?
 09:11:45 **18** MR. KLUTHO: Show me in this deposition
 09:11:47 **19** exhibit where you've asked her to testify about this.
 09:11:50 **20** Q. Do you understand the question?
 09:11:51 **21** A. Yes.
 09:11:52 **22** Q. Are you --
 09:11:52 **23** MR. KLUTHO: It doesn't matter if she
 09:11:53 **24** understands the question. Just please show me in the
 09:11:56 **25** list where you've asked her to testify about that.
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09:11:58 **1** Q. Are you a member?
 09:11:59 **2** A. I'm not understanding your question.
 09:12:01 **3** Q. Okay. You under --
 09:12:04 **4** Unlike a corporation, which has
 09:12:06 **5** shareholders, or a partnership which has partners, ARS
 09:12:09 **6** is an LLC; correct?
 09:12:11 **7** MR. KLUTHO: Objection, calls for a legal
 09:12:14 **8** conclusion, not asked for in the list of deposition
 09:12:17 **9** topics.
 09:12:20 **10** Q. You still get to answer.
 09:12:21 **11** A. Yes.
 09:12:22 **12** Q. Okay. And an LLC has members, that's the
 09:12:26 **13** term that's used for the people who have an interest
 09:12:29 **14** in the LLC. Do you understand that?
 09:12:31 **15** MR. KLUTHO: Objection, lack of foundation,
 09:12:34 **16** not asked for in the list of topics.
 09:12:36 **17** A. Yes.
 09:12:36 **18** Q. Are you a member?
 09:12:41 **19** A. I am an employee of LLC, of Accounts
 09:12:46 **20** Receivable Services. I don't understand the
 09:12:48 **21** difference between an employee and a member.
 09:12:51 **22** Q. Do you have an ownership interest in ARS?
 09:12:53 **23** A. No.
 09:12:55 **24** Q. Do you know who has an ownership interest in
 09:12:57 **25** ARS?

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09:14:45 **1** A. Correct.
 09:14:45 **2** Q. This is a document that's prepared by ARS;
 09:14:49 **3** correct?
 09:14:51 **4** A. Correct.
 09:14:52 **5** Q. There's a master of this document that was
 09:14:57 **6** Exhibit 1 to an agreement; correct?
 09:15:00 **7** A. I'm not sure what you're asking.
 09:15:03 **8** Q. Well what is this Exhibit 1 to?
 09:15:07 **9** A. It's part of the package that goes to Allina
 09:15:11 **10** for the purchase of the debt.
 09:15:29 **11** Q. The first paragraph makes reference to a
 09:15:33 **12** "Purchase of Business Agreement"; correct?
 09:15:36 **13** A. Correct.
 09:15:37 **14** Q. And that's defined in this Exhibit 1 Bill of
 09:15:41 **15** Sale as the Agreement, it's in quotes and parentheses?
 09:15:44 **16** MR. KLUTHO: It's defined as Agreement,
 09:15:47 **17** counsel.
 09:15:48 **18** A. Correct.
 09:15:49 **19** Q. Is there a document entitled "Purchase of
 09:15:52 **20** Business Agreement"?
 09:15:54 **21** A. Those exact words?
 09:15:55 **22** Q. Yes.
 09:15:56 **23** A. Not those exact words, no.
 09:16:26 **24** Q. Why does it --
 09:16:28 **25** Well you told me this is part of the package

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09:12:58 **1** MR. KLUTHO: Counsel, these are all
 09:12:59 **2** questions that are outside the scope of this, and if
 09:13:02 **3** you're going to keep it up I will stop the
 09:13:05 **4** deposition.
 09:13:05 **5** Q. Do you know?
 09:13:06 **6** A. I do not.
 09:13:13 **7** Q. Accounts Receivable Services is a
 09:13:14 **8** wholly-owned subsidiary of Allina; correct?
 09:13:17 **9** A. We are an LLC of Allina.
 09:13:22 **10** Q. Is there any corporation besides Allina that
 09:13:25 **11** owns an interest in Accounts Receivable Services, LLC?
 09:13:28 **12** A. No.
 09:13:49 **13** Q. If you could look at the stack in front of
 09:13:51 **14** you, to Exhibit 11. And it may be easier to take the
 09:14:18 **15** binder clip off now that we have --
 09:14:21 **16** A. That's okay.
 09:14:22 **17** Q. Okay. Do you know what Exhibit 11 is?
 09:14:26 **18** A. Yes.
 09:14:26 **19** Q. What is Exhibit 11?
 09:14:28 **20** A. It's the Bill of Sale.
 09:14:29 **21** Q. Okay. It's entitled "EXHIBIT 1 BILL OF
 09:14:40 **22** SALE"; correct?
 09:14:40 **23** A. Correct.
 09:14:41 **24** Q. And it says "ALLINA HEALTH SYSTEM" at the
 09:14:43 **25** top of it; correct?

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09:16:30 **1** that goes to Allina for the purchase of debt.
 09:16:33 **2** A. That's correct.
 09:16:34 **3** Q. Okay. Why doesn't ARS put the name of the
 09:16:38 **4** actual agreement in its document?
 09:16:46 **5** A. I have no answer to that question. It was
 09:16:51 **6** what we did at the time.
 09:16:59 **7** Q. And for each --
 09:17:02 **8** A. I guess we thought it wasn't that big a
 09:17:04 **9** deal, sir.
 09:17:09 **10** Q. Who came up with the term "Purchase of
 09:17:13 **11** Business Agreement" in Exhibit 11?
 09:17:15 **12** A. That would have been at the advice of our
 09:17:21 **13** attorney.
 09:17:23 **14** (Interruption by the reporter.)
 09:17:35 **15** Q. Besides Exhibit 11, what else is in the
 09:17:39 **16** package that goes to Allina to purchase a debt?
 09:17:42 **17** MR. KLUTHO: Limit your answer to Ms.
 09:17:45 **18** Ferkingstad's account, please.
 09:17:47 **19** THE WITNESS: I'm sorry?
 09:17:48 **20** MR. KLUTHO: Limit your answer to Ms.
 09:17:50 **21** Ferkingstad's account.
 09:17:53 **22** THE WITNESS: Oh, yes.
 09:17:53 **23** A. It would have been the Exhibit 1A.
 09:17:56 **24** MR. KLUTHO: Which is marked as Exhibit 12.
 09:18:00 **25** THE WITNESS: Twelve. Sorry.

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09:18:01 **1** MR. KLUTHO: That's all right.
 09:18:04 **2** **A.** I don't know where you have the suit
 09:18:06 **3** authorization. (Witness reviewing exhibits.)
 09:18:17 **4** **Q.** Probably Exhibit 8.
 09:18:22 **5** **A.** 8? Yes. And 8.
 09:18:26 **6** **Q.** Okay. So those three documents are sent by
 09:18:28 **7** ARS to Allina when ARS wants to purchase an individual
 09:18:35 **8** debt.
 09:18:35 **9** **A.** Correct.
 09:18:36 **10** **Q.** They're not sold in bundles of debt, they're
 09:18:39 **11** sold individually.
 09:18:40 **12** **A.** Correct.
 09:18:43 **13** **Q.** And ARS has access to Allina's financial
 09:18:49 **14** records prior to sending that package to Allina;
 09:18:53 **15** correct?
 09:18:54 **16** MR. KLUTHO: Object to the form of the
 09:18:57 **17** question.
 09:18:58 **18** **A.** No.
 09:18:58 **19** **Q.** Well there's an Exhibit 1A that was attached
 09:19:01 **20** to Exhibit 11; correct?
 09:19:08 **21** **A.** Are you talking about the transmittal?
 09:19:11 **22** MR. KLUTHO: Exhibit 12?
 09:19:13 **23** **Q.** In Exhibit 11, which is the Exhibit 1 Bill
 09:19:17 **24** of Sale.
 09:19:17 **25** **A.** Correct.
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09:20:19 **1** question.
 09:20:20 **2** Why don't you just explain to him how it
 09:20:22 **3** works.
 09:20:23 **4** THE WITNESS: Okay. This is how it works.
 09:20:26 **5** **Q.** My question.
 09:20:26 **6** MR. KLUTHO: Okay. Object to the form of
 09:20:28 **7** the question, it's incapable of being answered in the
 09:20:30 **8** form that it's in, counsel.
 09:20:32 **9** **Q.** Was an Exhibit 1A attached to Exhibit 11 --
 09:20:34 **10** **A.** Yes.
 09:20:35 **11** **Q.** -- and pre --
 09:20:36 **12** **A.** I'm sorry.
 09:20:36 **13** **Q.** -- presented to Allina in the Ferkingstad
 09:20:39 **14** case?
 09:20:39 **15** **A.** Yes.
 09:20:41 **16** **Q.** We know that that Exhibit 1A is not Exhibit
 09:20:45 **17** number 12; correct?
 09:20:48 **18** MR. KLUTHO: She's already testified about
 09:20:50 **19** that, counsel.
 09:20:50 **20** Tell him again.
 09:20:51 **21** **A.** It is Exhibit 1A. It was reprinted for
 09:20:55 **22** reasons.
 09:20:57 **23** **Q.** Okay. Why was it reprinted?
 09:21:00 **24** **A.** It was reprinted because in the time that it
 09:21:02 **25** took Allina, Ms. Fountain, to review the accounts and
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 09:19:18 **1** **Q.** It says that it's each and every one of the
 09:19:23 **2** assets as listed in Exhibit 1A attached hereto;
 09:19:27 **3** correct?
 09:19:30 **4** **A.** Are you talking about Exhibit 12?
 09:19:32 **5** **Q.** Well no, because we know that's not --
 09:19:34 **6** MR. KLUTHO: Yes, he is.
 09:19:36 **7** **Q.** -- the right Exhibit 1A.
 09:19:37 **8** We know there was an Exhibit 1A that went
 09:19:40 **9** with Exhibit 11; correct?
 09:19:42 **10** MR. KLUTHO: Objection, argumentative.
 09:19:42 **11** But yes, he's talking about this, and then
 09:19:44 **12** he's got his --
 09:19:46 **13** THE WITNESS: Yes. The date issue, right.
 09:19:47 **14** MR. KLUTHO: -- the soap box he needs to
 09:19:49 **15** get on.
 09:19:49 **16** **A.** Umm-hmm. Yes. This is --
 09:19:50 **17** **Q.** And we know that Exhibit 12 is not for the
 09:19:53 **18** Ferkingstad account, the Exhibit 1A that was sent to
 09:19:56 **19** Allina with Exhibit 11; correct?
 09:19:58 **20** **A.** Not the exact copy, correct.
 09:20:00 **21** **Q.** Okay. So in order for ARS to print from its
 09:20:08 **22** financial system the Exhibit 1A that was attached to
 09:20:13 **23** Exhibit 11 it has to have access to that information
 09:20:15 **24** before it prints it; correct?
 09:20:17 **25** MR. KLUTHO: Object to the form of the
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 09:21:08 **1** send them back to us interest had accrued on the
 09:21:12 **2** account, so we needed to reprint the transmittal to
 09:21:17 **3** match what was in our system at the time, which was
 09:21:24 **4** additional finance charge.
 09:21:29 **5** **Q.** Let me see if I can break that down into
 09:21:32 **6** pieces.
 09:21:32 **7** **A.** Sure.
 09:21:33 **8** **Q.** Exhibit 11 and a different Exhibit 1A were
 09:21:39 **9** sent to Ms. Fountain for signature; correct?
 09:21:44 **10** **A.** Correct.
 09:21:45 **11** MR. KLUTHO: Object to the form of the
 09:21:47 **12** question.
 09:21:48 **13** **Q.** How was it sent?
 09:21:49 **14** MR. KLUTHO: He said it's sent for a
 09:21:51 **15** signature. I'm just objecting to the form of that
 09:21:54 **16** question.
 09:21:54 **17** THE WITNESS: Oh, okay.
 09:21:54 **18** MR. KLUTHO: It was sent for proof of debt.
 09:21:56 **19** **A.** How was it sent?
 09:21:57 **20** **Q.** Uh-huh.
 09:21:58 **21** **A.** By interoffice mail.
 09:22:03 **22** **Q.** So ARS puts in its interoffice mail the
 09:22:11 **23** package that goes to Allina for purchase of debt and
 09:22:13 **24** it's delivered to Ms. Fountain.
 09:22:17 **25** **A.** Correct.
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09:22:18 **1** Q. Okay. Do you have the same mail system?
 09:22:22 **2** A. We have a courier that comes over from
 09:22:25 **3** Allina daily.
 09:22:27 **4** Q. But it's sent in physical paper, it's not
 09:22:30 **5** sent electronic.
 09:22:32 **6** A. Correct.
 09:22:33 **7** Q. Ms. Fountain then signed Exhibit 11 and sent
 09:22:43 **8** back to you Exhibit 11 and the Exhibit 1A that was
 09:22:48 **9** attached to it; correct?
 09:22:50 **10** A. Correct.
 09:22:51 **11** Q. Okay. Do you have the Exhibit 1A that was
 09:22:53 **12** attached to what was sent to Allina, signed by Ms.
 09:22:59 **13** Fountain, and delivered back to ARS?
 09:23:01 **14** A. No, I do not.
 09:23:02 **15** Q. What happened to that original?
 09:23:04 **16** A. It was probably shredded after we changed
 09:23:13 **17** the interest rate.
 09:23:19 **18** Q. Yeah, I don't understand.
 09:23:19 **19** A. The principal stayed the same, nothing
 09:23:22 **20** happened to the principal. All we purchase is the
 09:23:25 **21** principal. The principal was sold to ARS. What
 09:23:34 **22** happened was the logistics of the paperwork getting
 09:23:37 **23** back to us before interest was added to the account
 09:23:45 **24** again while it was still an un-purchased debt.
 09:23:52 **25** Q. When was Exhibit 11 sent to Ms. Fountain?
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09:23:56 **1** A. Oh, let's see. (Witness reviewing
 09:24:23 **2** exhibits.) I would say it was probably sent in -- I
 09:24:27 **3** don't have my notes in front of me -- but probably
 09:24:31 **4** around the first of October.
 09:24:32 **5** Q. And it's sent to Allina for purchase because
 09:24:35 **6** ARS has decided that it's going to file a conciliation
 09:24:38 **7** court complaint on this account; correct?
 09:24:41 **8** A. Correct.
 09:24:44 **9** Q. Is it ARS's policy to shred the Exhibit 1As
 09:24:49 **10** that come back from Allina attached to the Exhibit 1?
 09:24:57 **11** A. It's ARS's policy to shred anything that has
 09:25:02 **12** information on it from the debtor that we are no
 09:25:09 **13** longer using.
 09:25:15 **14** Q. Well so in every case, --
 09:25:18 **15** A. Not every.
 09:25:19 **16** Q. -- because --
 09:25:20 **17** Well in every case --
 09:25:22 **18** A. In Ferkingstad's case.
 09:25:25 **19** Q. -- you're going to get Exhibit 1A back from
 09:25:27 **20** Allina at some point after it's signed by Jocelyn
 09:25:30 **21** Fountain; correct?
 09:25:31 **22** A. Correct.
 09:25:31 **23** Q. And in every case where any time has passed,
 09:25:36 **24** ARS shreds the Exhibit 1A that was attached to it.
 09:25:40 **25** MR. KLUTHO: Object to the form of the
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09:25:44 **1** question.
 09:25:44 **2** A. No.
 09:25:44 **3** What happened in Ferkingstad's case was that
 09:25:48 **4** Allina logistically took more time than they possibly
 09:25:58 **5** should have to sign the documentation and return it to
 09:26:00 **6** us so that we could purchase it, and in that timeframe
 09:26:06 **7** interest had been added. Nothing happened to the
 09:26:10 **8** principal, the principal remained the same. The only
 09:26:14 **9** thing that changed was the interest that we apply.
 09:26:18 **10** Q. So was --
 09:26:19 **11** A. The non-purchased debt.
 09:26:21 **12** Q. So the shredding of the Exhibit A from
 09:26:24 **13** Ferkingstad was unique.
 09:26:26 **14** A. Yes.
 09:26:35 **15** Q. Is the original of Exhibit 11 signed by
 09:26:39 **16** Jocelyn Fountain at ARS?
 09:26:41 **17** A. "At ARS"?
 09:26:42 **18** Q. Do you have it, the original? The one
 09:26:44 **19** that's got her blue ink, --
 09:26:46 **20** A. Oh.
 09:26:47 **21** Q. -- or whatever color it was?
 09:26:48 **22** A. No.
 09:26:49 **23** Q. Did you shred that too?
 09:26:50 **24** A. We image everything and shred it.
 09:26:59 **25** Q. But you didn't image the Exhibit 1A that was
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09:27:03 **1** attached.
 09:27:04 **2** A. Sir, are you having a hard time
 09:27:06 **3** understanding me? I believe I've answered that
 09:27:08 **4** question.
 09:27:09 **5** Q. Well I just want to make sure there's not an
 09:27:12 **6** image that has been --
 09:27:13 **7** A. How many times are you going to make sure?
 09:27:14 **8** Because I'll just say yes, yes, yes, yes, and yes.
 09:27:17 **9** Q. Last time.
 09:27:18 **10** A. Yes.
 09:27:18 **11** Q. You did not image --
 09:27:20 **12** A. This is --
 09:27:21 **13** It wasn't the last time.
 09:27:23 **14** Q. You did not image the Exhibit 1A that was
 09:27:26 **15** attached to Exhibit 11 when it came back from Allina.
 09:27:31 **16** A. The one dated October 7th we did not image.
 09:27:51 **17** Q. At some point later in time ARS sends a
 09:27:59 **18** electronic record back to Allina showing -- indicating
 09:28:04 **19** which debts ARS contends have been assigned to it;
 09:28:09 **20** correct?
 09:28:09 **21** A. We don't contend. But yes, we do. It's an
 09:28:13 **22** electronic file.
 09:28:18 **23** Q. And the policy of ARS is to send that 10
 09:28:23 **24** days after -- 10 days into the month capturing the
 09:28:28 **25** previous month's transfers.
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09:28:29 **1** A. No.
 09:28:30 **2** MR. KLUTHO: Object to the form of the
 09:28:31 **3** question. Go ahead.
 09:28:32 **4** Q. Okay. When is the electronic file sent?
 09:28:35 **5** A. The electronic file is sent at month end.
 09:28:40 **6** Q. Why?
 09:28:41 **7** A. Because that's when we run all our reports.
 09:28:44 **8** Q. You could send --
 09:28:47 **9** Do you know when you got Exhibit 11 back
 09:28:51 **10** from Allina?
 09:28:52 **11** A. No, I do not.
 09:28:54 **12** Q. Okay. Well we know it's sometime between
 09:28:57 **13** October 7th and October 13th; correct?
 09:29:02 **14** A. I'm sorry. Could you repeat those dates?
 09:29:04 **15** Q. Well we know that the Exhibit 12 was printed
 09:29:08 **16** on October 13th; correct?
 09:29:10 **17** A. Correct.
 09:29:12 **18** Q. So --
 09:29:13 **19** And I thought you told me the reason it's
 09:29:16 **20** printed is because interest has accrued while this
 09:29:20 **21** document is waiting to be signed by Allina.
 09:29:22 **22** A. Correct. It's logistics, correct.
 09:29:24 **23** Q. So they wouldn't reprint or print a new
 09:29:28 **24** Exhibit 1A if they hadn't gotten back the signed
 09:29:33 **25** agreement; correct?

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09:29:34 **1** A. Correct.
 09:29:35 **2** Q. So we know that Exhibit 11 came back to ARS
 09:29:40 **3** before October 13th, which is the date of the
 09:29:44 **4** reprinted document.
 09:29:47 **5** A. It probably came back, yes, on the same day
 09:29:52 **6** is my guess, but I don't know for sure, no.
 09:29:54 **7** Q. Okay. So on October 15th ARS could have
 09:29:58 **8** sent the electronic file indicating that Ferkingstad's
 09:30:01 **9** account had been transferred; correct?
 09:30:04 **10** MR. KLUTHO: Objection, argumentative.
 09:30:08 **11** A. It is our standing operating procedure to
 09:30:11 **12** print our month-end reports at month end.
 09:30:18 **13** Q. And you understand that the account in
 09:30:22 **14** Allina's books doesn't reflect the transfer until you
 09:30:26 **15** send that electronic report; correct?
 09:30:28 **16** A. No.
 09:30:29 **17** Q. You didn't know that.
 09:30:30 **18** A. I --
 09:30:31 **19** That is not correct. In Allina's system it
 09:30:36 **20** shows that the account has been referred to bad debt.
 09:30:40 **21** Q. Okay. Let's look at Exhibit 13. In this
 09:30:55 **22** case Allina doesn't make the notation in their records
 09:31:00 **23** that the Ferkingstad account has been referred until
 09:31:05 **24** November 10th of 2015; correct?

MR. KLUTHO: Object to the form of the
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09:31:10 **1** question.
 09:31:11 **2** A. On Oct --
 09:31:12 **3** On November 10th is not the referral to bad
 09:31:16 **4** debt, that is the referral to the final referral
 09:31:19 **5** department, which means we have purchased the debt.
 09:31:23 **6** Prior to that it would have been referred to us as
 09:31:26 **7** just service rendered bad debt.
 09:31:30 **8** Q. But there is no copy of Allina's records
 09:31:32 **9** indicating that's been produced in this case.
 09:31:35 **10** A. Not that you have.
 09:31:39 **11** Q. Well does ARS have that document?
 09:31:42 **12** A. No. That would be an Allina document.
 09:31:54 **13** MR. KLUTHO: Counsel, that's not a document
 09:31:56 **14** you asked for in your deposition notice of a
 09:32:00 **15** non-party.
 09:32:24 **16** Q. Does ARS get a copy of Deposition Exhibit
 09:32:27 **17** 13?
 09:32:28 **18** A. No.
 09:32:31 **19** Q. Let's go back to Exhibit 8. Why --
 09:32:51 **20** Exhibit 8 is drafted by ARS; correct?
 09:32:54 **21** A. Correct.
 09:32:55 **22** Q. And in this case ARS sent a copy of Exhibit
 09:32:59 **23** 8 to Allina as part of the package to purchase the
 09:33:08 **24** debt; correct?
 09:33:09 **25** A. Correct.

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09:33:10 **1** Q. Why is there a separate Exhibit 8 from
 09:33:13 **2** Exhibit 11?
 09:33:20 **3** A. On advice of attorney at the time.
 09:33:24 **4** Q. I'm not looking for --
 09:33:30 **5** Let me ask you this question: Do you know
 09:33:32 **6** why a separate Exhibit 8 is sent?
 09:33:35 **7** MR. KLUTHO: She just told you upon advice
 09:33:38 **8** of an attorney.
 09:33:38 **9** A. Correct.
 09:33:39 **10** Q. Do you --
 09:33:40 **11** I'm not looking for the attorney's advice.
 09:33:42 **12** MR. KLUTHO: Well that's the only way she
 09:33:44 **13** would know it, counsel.
 09:33:45 **14** A. That's what happened.
 09:33:55 **15** Q. The same documents go to Allina each time
 09:33:59 **16** ARS wants to purchase a debt; correct?
 09:34:02 **17** A. In the Ferkingstad case, yes.
 09:34:04 **18** Q. What about --
 09:34:06 **19** When you say it's part of the package, is
 09:34:09 **20** this -- are these always part of the package?
 09:34:11 **21** A. Always.
 09:34:12 **22** Q. When was the policy of using these documents
 09:34:15 **23** in the package established?
 09:34:23 **24** A. Probably when we first started purchasing
 09:34:26 **25** debt, which would have been in 2014.

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09:34:39 **1** Q. Was ARS not purchasing debts from Allina
 09:34:41 **2** prior to 2014?
 09:34:44 **3** A. Correct.
 09:34:53 **4** Q. Prior to 2014 ARS was just acting as a debt
 09:34:58 **5** collector without purchasing the debt, for Allina?
 09:35:01 **6** A. Yes.
 09:35:03 **7** Q. Why did ARS make the decision to start
 09:35:06 **8** purchasing the debt?
 09:35:08 **9** MR. KLUTHO: Don't answer the question,
 09:35:09 **10** it's not within the scope of this requested witness's
 09:35:14 **11** list of topics to be here to testify about, counsel.
 09:35:17 **12** It's also highly irrelevant to the issue in this
 09:35:19 **13** lawsuit with respect to Ms. Ferkingstad. It was in
 09:35:24 **14** 2015.
 09:35:24 **15** Help me understand how this has any
 09:35:26 **16** relevance to that, counsel.
 09:35:27 **17** MR. SCHWIEBERT: Are you instructing the
 09:35:28 **18** witness not to answer.
 09:35:29 **19** MR. KLUTHO: Help me understand how it has
 09:35:31 **20** any relevance and then I'll decide whether or not to
 09:35:33 **21** instruct the witness.
 09:35:34 **22** Q. You get to answer.
 09:35:35 **23** Do you understand the question?
 09:35:36 **24** MR. KLUTHO: You're asking her why they
 09:35:37 **25** started purchasing debt in 2014, and this is
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09:37:03 **1** instructs you not to answer.
 09:37:05 **2** MR. KLUTHO: Where is this in your list of
 09:37:06 **3** deposition topics, counsel?
 09:37:17 **4** You keep looking at her, but you can see
 09:37:19 **5** that I'm the one talking to you.
 09:37:25 **6** He's doing a staring contest.
 09:37:28 **7** THE WITNESS: Is he? I'm good at those.
 09:37:29 **8** BY MR. SCHWIEBERT:
 09:37:29 **9** Q. Do you understand the question?
 09:37:31 **10** A. No, I really don't.
 09:37:33 **11** Q. Do you know why ARS changed its relationship
 09:37:39 **12** with Allina in 2014 to start purchasing the debt?
 09:37:43 **13** MR. KLUTHO: All the same objections.
 09:37:44 **14** Do you know why?
 09:37:47 **15** THE WITNESS: On advice of attorney.
 09:37:49 **16** MR. KLUTHO: I instruct you not to answer
 09:37:50 **17** any further.
 09:38:05 **18** Q. Did ARS pay Allina money for the Ferkingstad
 09:38:09 **19** account?
 09:38:10 **20** A. Yes.
 09:38:14 **21** Q. How much did it pay?
 09:38:16 **22** A. Twenty-five cents on the dollar.
 09:38:20 **23** Q. When did to make that payment?
 09:38:24 **24** A. At the month end when the report is written.
 09:38:31 **25** Q. Is a single --
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09:35:40 **1** involving a case with your client, Ferkingstad, in
 09:35:43 **2** 2015? Is that what you're doing, counsel?
 09:35:47 **3** Q. Do you understand the question?
 09:35:48 **4** MR. KLUTHO: Is that what you're doing,
 09:35:49 **5** counsel? She's not going to say any more words until
 09:35:53 **6** you answer my question, counsel.
 09:35:59 **7** Q. Do you understand the question?
 09:36:00 **8** MR. KLUTHO: Did you hear the words coming
 09:36:01 **9** out of my mouth. She's not going to say anything
 09:36:03 **10** more until you answer my question, counsel.
 09:36:18 **11** Do you have another question?
 09:36:19 **12** MR. SCHWIEBERT: Waiting for an answer to
 09:36:21 **13** that one.
 09:36:23 **14** Are you instructing her not to answer that
 09:36:25 **15** question?
 09:36:28 **16** MR. KLUTHO: Are you familiar with 28
 09:36:30 **17** United States Code Section 1927, and did you read the
 09:36:34 **18** judge's order that said the issue in this case is a
 09:36:39 **19** snapshot in time. Ferkingstad plausibly alleges that
 09:36:46 **20** ARS falsely represented, at the time it made its
 09:36:49 **21** representations, that it owned the debt to her.
 09:36:52 **22** That's the issue in this case. Why are you
 09:36:54 **23** talking about 2014, when that's happened in 2015,
 09:36:59 **24** counsel?
 09:37:01 **25** Q. You get to answer the question until counsel
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09:38:36 **1** Is one payment made for all of the accounts
 09:38:39 **2** that ARS attempted to purchase during that month?
 09:38:42 **3** A. I have --
 09:38:43 **4** MR. KLUTHO: Object to the form of the
 09:38:44 **5** question. What do you mean by "attempted"?
 09:38:49 **6** Q. ARS contends that it buys debts from Allina
 09:38:53 **7** for the entire month of October of 2015.
 09:38:56 **8** MR. KLUTHO: Object to the form of the
 09:38:57 **9** question. What do you mean by "contends"?
 09:39:00 **10** Q. Do you understand the question?
 09:39:01 **11** A. I do not.
 09:39:03 **12** Q. All right. How much did ARS pay Allina at
 09:39:13 **13** the end of October 2015 for the Ferkingstad debt?
 09:39:21 **14** A. Twenty-five cents on the dollar.
 09:39:22 **15** Q. On the principal balance?
 09:39:24 **16** A. Yes.
 09:39:25 **17** MR. KLUTHO: Counsel, I've handed to you
 09:39:26 **18** the Blanket Purchase Agreement with that information
 09:39:30 **19** in there. The prior document you had had that
 09:39:32 **20** information redacted. There you have it, counsel.
 09:39:36 **21** That's copied from the original.
 09:39:43 **22** Q. How was that payment made?
 09:39:45 **23** A. It's made through accounting.
 09:39:49 **24** Q. A check cut from ARS and sent to Allina?
 09:39:52 **25** A. I would not know what accounting procedures
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09:39:54 **1** are. I believe it's a transfer of some sort. I do
 09:40:00 **2** not know.
 09:40:08 **3** **Q.** Does ARS have its own bank accounts?
 09:40:11 **4** **A.** Yes.
 09:40:13 **5** **Q.** Are those bank accounts separate from
 09:40:15 **6** Allina's bank accounts?
 09:40:18 **7** **A.** Yes.
 09:40:43 **8** **Q.** Is there a record for the payment for the
 09:40:46 **9** Ferkingstad account?
 09:40:49 **10** **A.** What do you mean?
 09:40:50 **11** **Q.** Well if ARS paid Allina twenty-five cents on
 09:40:55 **12** the dollar for the principal balance of the
 09:40:58 **13** Ferkingstad account, is there a record of that
 09:41:02 **14** payment?
 09:41:02 **15** **A.** There is a report. If you consider that a
 09:41:07 **16** record, yes, it would be a record.
 09:41:09 **17** **Q.** Well is there a copy of a check that shows
 09:41:13 **18** that payment?
 09:41:15 **19** MR. KLUTHO: Object to the form of the
 09:41:16 **20** question, counsel.
 09:41:17 **21** Did you hear what the witness said? She
 09:41:19 **22** doesn't know how it's actually transmitted. You
 09:41:23 **23** asked about a check, she talked about probably a
 09:41:26 **24** transfer. Do you remember that?
 09:41:29 **25** **A.** There --
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09:41:30 **1** I do not know.
 09:41:31 **2** **Q.** You don't know how it's transferred, so you
 09:41:33 **3** don't know if there's a record?
 09:41:35 **4** **A.** I know that we supply reports at month end
 09:41:41 **5** showing what accounts have been purchased. I do not
 09:41:45 **6** know what happens after that, other than it goes to an
 09:41:50 **7** account -- an accountant who handles it.
 09:41:53 **8** **Q.** It goes to an ARS accountant.
 09:41:55 **9** **A.** Yes.
 09:42:24 **10** (Exhibit 21 marked for identification.)
 09:42:24 **11** BY MR. SCHWIEBERT:
 09:42:25 **12** **Q.** Ms. Drennen, I'm handing you what the court
 09:42:28 **13** reporter has marked as Exhibit 21. Are you familiar
 09:42:30 **14** with this document?
 09:42:31 **15** **A.** Yes.
 09:42:44 **16** **Q.** Exhibit 21 is a "Blanket Purchase
 09:42:47 **17** Agreement"; correct?
 09:42:50 **18** **A.** That is what it states, correct.
 09:42:58 **19** **Q.** Were you involved in the drafting of this
 09:43:01 **20** Blanket Purchase Agreement?
 09:43:04 **21** **A.** To a certain extent, yes.
 09:43:06 **22** **Q.** How were you involved?
 09:43:07 **23** **A.** I worked with Mr. Tim Wenner.
 09:43:14 **24** **Q.** And what did you do in the work you did with
 09:43:16 **25** Mr. Tim Wenner?
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09:43:18 **1** **A.** We established the Blanket Purchase
 09:43:20 **2** Agreement.
 09:43:24 **3** **Q.** Did you actually draft this document?
 09:43:27 **4** **A.** It was typed up, yes.
 09:43:33 **5** **Q.** Can you --
 09:43:33 **6** Can you explain to me how you go from
 09:43:35 **7** starting to work with Mr. Wenner and ending up with
 09:43:39 **8** Exhibit 21?
 09:43:40 **9** MR. KLUTHO: Counsel, please stop laughing.
 09:43:43 **10** It's offensive.
 09:43:46 **11** **A.** We discussed what we were going to do when
 09:43:48 **12** we purchased accounts from Allina, and came to the
 09:43:52 **13** conclusion that this Blanket Purchase Agreement would
 09:43:57 **14** cover our needs.
 09:44:01 **15** **Q.** And the Blanket Purchase Agreement transfers
 09:44:06 **16** went into effect January 17th, 2014.
 09:44:08 **17** MR. KLUTHO: Object to the form of the
 09:44:10 **18** question, misstates the document.
 09:44:12 **19** **Q.** Correct?
 09:44:14 **20** **A.** Correct, I guess.
 09:44:17 **21** **Q.** Is there more to this agreement?
 09:44:19 **22** MR. KLUTHO: He's asking you if this
 09:44:21 **23** transferred debts --
 09:44:23 **24** THE WITNESS: Oh.
 09:44:23 **25** MR. KLUTHO: -- on January 14th. That's
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09:44:24 **1** what he's doing.
 09:44:24 **2** THE WITNESS: Oh.
 09:44:25 **3** MR. KLUTHO: He's a tricky lawyer, so you
 09:44:27 **4** have to listen to every word he gives you.
 09:44:29 **5** **A.** I'm sorry. I didn't understand your
 09:44:32 **6** question, I guess.
 09:44:33 **7** **Q.** Is there more to this Blanket Purchase
 09:44:35 **8** Agreement?
 09:44:35 **9** **A.** No.
 09:44:36 **10** **Q.** There's a description of the thing that
 09:44:41 **11** Allina Health is hereby selling, assigning and
 09:44:45 **12** transferring to Accounts Receivable Services; correct?
 09:44:48 **13** **A.** This document covers what will happen in the
 09:44:52 **14** future when we make the decision to purchase debt from
 09:44:58 **15** Allina.
 09:45:00 **16** **Q.** Can you please show me where on the document
 09:45:02 **17** it provides that?
 09:45:03 **18** MR. KLUTHO: The whole document, counsel.
 09:45:05 **19** **A.** The whole document, counsel.
 09:45:07 **20** **Q.** Okay. Let's start at the beginning.
 09:45:09 **21** "Allina Health, of 2925 Chicago Avenue South,
 09:45:14 **22** Minneapolis, Minnesota 55407, does hereby sell, assign
 09:45:21 **23** and transfer to Account...Receivable Services LLC dba
 09:45:30 **24** Reliance Recoveries of 6160 Summit Drive, Minneapolis,
 09:45:34 **25** Minnesota 55430, the following accounts:"
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09:45:39 **1** Did I read that correctly?
 09:45:40 **2** MR. KLUTHO: Very well, counsel. A plus.
 09:45:44 **3** Stipulated. Move on.
 09:45:48 **4** **Q.** The accounts that are hereby -- that Allina
 09:45:52 **5** is hereby selling, assigning and transferring to ARS
 09:45:57 **6** appear in -- next to the word "Description"; correct?
 09:46:02 **7** **A.** Correct.
 09:46:02 **8** **Q.** And all it says is "Unpaid Medical bills."
 09:46:07 **9** MR. KLUTHO: Correct.
 09:46:07 **10** **A.** Correct.
 09:46:08 **11** MR. KLUTHO: Stipulated.
 09:46:09 **12** **Q.** Is there a description of what "unpaid
 09:46:12 **13** medical bills" Allina is hereby selling, assigning and
 09:46:16 **14** transferring to Accounts Receivable Services?
 09:46:20 **15** **A.** Unpaid medical bills.
 09:46:23 **16** **Q.** But certainly not every unpaid medical bill
 09:46:26 **17** is moving from Allina to ARS on January 17th of 2014.
 09:46:31 **18** **A.** None of them are moving on January 17th.
 09:46:37 **19** **Q.** Okay. Allina, immediately above the
 09:46:40 **20** signature for seller says, "These transfer will go
 09:46:43 **21** into effect" -- Let me try it again.
 09:46:46 **22** "These transfer will go into effective as of
 09:46:51 **23** January 17th, 2014." Correct?
 09:46:54 **24** MR. KLUTHO: You read that correctly.
 09:46:56 **25** **A.** Yes.

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09:47:48 **1** MR. KLUTHO: Stipulated it does not,
 09:47:50 **2** counsel. Argumentative.
 09:48:27 **3** **Q.** Exhibit 8, the Suit Authorization and
 09:48:30 **4** Assignment document. Was there attached to Exhibit 8
 09:48:46 **5** a true and correct account statement reflecting the
 09:48:49 **6** balance due and owing as of the date set forth below?
 09:48:54 **7** **A.** Yes.
 09:48:56 **8** **Q.** But ARS no longer has that document;
 09:48:59 **9** correct?
 09:49:01 **10** **A.** I believe I've already answered that, but
 09:49:02 **11** yes.
 09:49:03 **12** **Q.** Okay. So the thing that's attached to this
 09:49:06 **13** document is another Exhibit 1A.
 09:49:13 **14** **A.** Are you unable to understand my past answers
 09:49:16 **15** to that question?
 09:49:17 **16** **Q.** Well I haven't asked you about the
 09:49:19 **17** attachments to this document. Maybe I'm confused.
 09:49:21 **18** **A.** Maybe you are.
 09:49:23 **19** **Q.** Is there a separate attachment that is sent
 09:49:26 **20** with Exhibit 8 from the attachment that's attached to
 09:49:31 **21** Exhibit 11?
 09:49:36 **22** **A.** Yes, your Exhibit 12.
 09:49:41 **23** **Q.** Okay. You testified that an Exhibit 1A was
 09:49:46 **24** attached to Exhibit 11. Is there a separate document
 09:49:50 **25** that was attached to Exhibit 8?

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09:46:56 **1** MR. KLUTHO: Very good reading.
 09:46:57 **2** **Q.** That's the transfer of the unpaid medical
 09:47:00 **3** bills; --
 09:47:00 **4** MR. KLUTHO: Object, --
 09:47:00 **5** **Q.** -- correct?
 09:47:02 **6** **A.** No.
 09:47:02 **7** MR. KLUTHO: -- argumentative.
 09:47:03 **8** **Q.** Well is there anything else described in
 09:47:06 **9** Exhibit 21 besides unpaid medical bills?
 09:47:09 **10** MR. KLUTHO: Objection, argumentative.
 09:47:10 **11** **A.** No.
 09:47:11 **12** MR. KLUTHO: Explain to him again how it
 09:47:12 **13** works, --
 09:47:13 **14** THE WITNESS: Okay.
 09:47:13 **15** MR. KLUTHO: -- because he doesn't
 09:47:14 **16** understand and he just wants to argue with you.
 09:47:20 **17** THE WITNESS: He does.
 09:47:20 **18** This is the Blanket Purchase Agreement that
 09:47:23 **19** was developed by Reliance and Allina to cover the
 09:47:29 **20** future purchases of unpaid medical debt by ARS d/b/a
 09:47:39 **21** Reliance Recoveries. That is all it is, nothing
 09:47:44 **22** more.
 09:47:44 **23** BY MR. SCHWIEBERT:
 09:47:45 **24** **Q.** Does the word "future purchases" appear
 09:47:47 **25** anywhere in Exhibit 21?

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09:49:54 **1** **A.** Yes.
 09:49:55 **2** **Q.** Is it --
 09:49:56 **3** When it was sent is it the same Exhibit 1A
 09:50:00 **4** as the attachment for both documents?
 09:50:01 **5** **A.** It had a different date on it.
 09:50:04 **6** **Q.** I understand.
 09:50:04 **7** **A.** Okay.
 09:50:05 **8** **Q.** I'm just trying to make sure there aren't
 09:50:07 **9** two attachments, one for Exhibit 8 and one for Exhibit
 09:50:10 **10** 11.
 09:50:11 **11** MR. KLUTHO: Why don't you just tell him
 09:50:13 **12** what the packet consists of.
 09:50:15 **13** THE WITNESS: The packet consists of, as
 09:50:17 **14** I've calmly told you before, the Suit Authorization
 09:50:22 **15** and Assignment, which is your Exhibit 8; the
 09:50:28 **16** transmittal of the account that is owed, Exhibit 12,
 09:50:33 **17** which is not exactly the one that was sent because of
 09:50:38 **18** the interest that was added that we've already
 09:50:42 **19** explained; and your Exhibit 11, which is the Bill of
 09:50:50 **20** Sale.
 09:50:51 **21** **Q.** As sent, each of those three things are one
 09:50:56 **22** page; correct?
 09:50:57 **23** **A.** Not one page, there's three pages.
 09:51:01 **24** **Q.** Three single-page documents are sent.
 09:51:03 **25** **A.** Correct.

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09:51:04 **1** Q. Nothing else is sent for the purchase of
 09:51:08 **2** this debt.
 09:51:09 **3** A. Correct.
 09:51:33 **4** Q. On Exhibit 8 the last name Ferkingstad
 09:51:38 **5** appears at the top of the document; correct?
 09:51:46 **6** A. Correct.
 09:51:50 **7** Q. Does ARS -- Well let me back up.
 09:51:56 **8** Is Exhibit 8, without the reference to
 09:52:02 **9** Ferkingstad, a form that is used in the package by ARS
 09:52:07 **10** to purchase debts from Allina?
 09:52:10 **11** A. Are you talking about the body?
 09:52:11 **12** Q. Yes.
 09:52:12 **13** A. Yes.
 09:52:13 **14** Q. Okay. Is there a stack of these at ARS?
 09:52:18 **15** A. No.
 09:52:18 **16** Q. No. Is it an electronic document?
 09:52:22 **17** A. Yes.
 09:52:23 **18** Q. Do you know who actually, at ARS, sent
 09:52:30 **19** Exhibit -- well who printed Exhibit 8 at ARS?
 09:52:35 **20** MR. KLUTHO: What's your question, "sent"
 09:52:37 **21** or "printed"?
 09:52:38 **22** Q. We'll do printed first.
 09:52:40 **23** A. Yes.
 09:52:40 **24** Q. Who was it?
 09:52:41 **25** A. One of my conciliation court reps.
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09:54:00 **1** a name on it. It's reviewed.
 09:54:23 **2** Q. And Ms. Nagle also made a request to the
 09:54:26 **3** system for the printing of Exhibit 11 to be sent in
 09:54:31 **4** the package.
 09:54:32 **5** A. Correct.
 09:54:37 **6** Q. And again, the last name Ferkingstad now
 09:54:39 **7** appears at the bottom of Exhibit 11.
 09:54:42 **8** A. That is correct.
 09:54:43 **9** Q. And do you know if that appeared on Exhibit
 09:54:47 **10** 11 before it was sent to Allina?
 09:54:50 **11** A. Yes, it did.
 09:54:51 **12** Q. And how do you know that?
 09:54:53 **13** A. Because it's reviewed.
 09:54:55 **14** Q. Okay. Who reviews it?
 09:54:57 **15** A. They review the work of each other to make
 09:55:00 **16** sure that it is properly done. We have different
 09:55:05 **17** people who review other people's work.
 09:55:08 **18** Q. And that's done before they're sent to
 09:55:11 **19** Allina.
 09:55:11 **20** A. That's correct.
 09:55:13 **21** Q. So who reviewed the Ferkingstad files?
 09:55:18 **22** A. I do not know, but we have a weekly schedule
 09:55:21 **23** that it goes by, so it changes so that the same
 09:55:25 **24** persons are not always reviewing the other persons'
 09:55:29 **25** accounts.
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09:52:44 **1** Q. Do you know which one it was?
 09:52:52 **2** A. It would have been Teresa Nagle.
 09:52:55 **3** Q. And you know that because her initials
 09:52:57 **4** appear in the upper left-hand corner of Exhibit 12.
 09:53:00 **5** A. Correct.
 09:53:02 **6** Q. So Ms. Nagle opens up a Word document --
 09:53:07 **7** A. No.
 09:53:09 **8** Q. How does she print Exhibit 8?
 09:53:11 **9** A. She requests it, through the system, on the
 09:53:14 **10** Ferkingstad account.
 09:53:16 **11** Q. Okay. Who does she request it from?
 09:53:18 **12** A. The system. It is a letter code that we put
 09:53:22 **13** in to have printed.
 09:53:25 **14** Q. And then the system prints --
 09:53:29 **15** A. Correct.
 09:53:30 **16** Q. -- Exhibit 8.
 09:53:33 **17** MR. KLUTHO: It's this newfangled computer
 09:53:37 **18** stuff.
 09:53:38 **19** THE WITNESS: It is. It's amazing.
 09:53:47 **20** Q. Do you know whether the reference to the
 09:53:50 **21** last name Ferkingstad appeared on Exhibit 8 when it
 09:53:54 **22** was sent to Allina?
 09:53:56 **23** A. Yes, it did.
 09:53:57 **24** Q. Okay. How do you know that?
 09:53:59 **25** A. Because it doesn't leave our office without
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09:55:35 **1** Q. I don't understand how the weekly schedule
 09:55:37 **2** works. Can you...
 09:55:40 **3** A. Every week we change who reviews each
 09:55:42 **4** other's work. So I would not be able to tell you, on
 09:55:46 **5** this particular week back in 2015, who was reviewing
 09:55:51 **6** Ms. Nagle's work at that time.
 09:56:02 **7** Q. Does Ms. Nagle print the Exhibit 1A that
 09:56:06 **8** actually went in the package that was sent to Allina?
 09:56:10 **9** A. Does she print it?
 09:56:11 **10** Q. Yes.
 09:56:12 **11** A. Yes.
 09:56:13 **12** Q. Okay. So somewhere at Reliance Recoveries,
 09:56:22 **13** which is ARS, there's a computer system that before
 09:56:25 **14** October 7th of 2015 had Ms. Ferkingstad's account
 09:56:31 **15** information in it.
 09:56:31 **16** A. Of course.
 09:56:54 **17** Q. Is it ARS's position that the reference in
 09:57:00 **18** Exhibit 11 to the Purchase of Business Agreement is a
 09:57:08 **19** reference to Exhibit 21?
 09:57:16 **20** A. I don't understand your question.
 09:57:18 **21** Q. Well Exhibit 11 makes reference to a
 09:57:21 **22** Purchase of Business Agreement as of October 7th,
 09:57:26 **23** 2015.
 09:57:26 **24** A. Okay.
 09:57:27 **25** Q. Correct?
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09:57:28 **1** A. Yes.
 09:57:28 **2** Are you speaking about the "has entered into
 09:57:31 **3** a Purchase of Business Agreement" portion?
 09:57:34 **4** MR. KLUTHO: Yes. That's what he's asking
 09:57:35 **5** you about.
 09:57:36 **6** THE WITNESS: Okay.
 09:57:37 **7** A. Yes, it is my understanding it refers to
 09:57:40 **8** this.
 09:57:40 **9** MR. KLUTHO: Exhibit 21.
 09:57:41 **10** A. Exhibit 21.
 09:57:43 **11** Q. The Blanket Purchase Agreement.
 09:57:44 **12** A. Correct.
 09:57:44 **13** Q. Do you know why Exhibit 11 doesn't say
 09:57:47 **14** "Blanket Purchase Agreement"?
 09:57:50 **15** A. I do not.
 09:57:54 **16** MR. KLUTHO: Our sincerest apologies,
 09:57:57 **17** counsel.
 09:57:58 **18** THE WITNESS: Yes.
 09:58:03 **19** Q. But you understand that Exhibit 11 is
 09:58:17 **20** pursuant to the terms, conditions and warranties set
 09:58:21 **21** forth in the Purchase of Business Agreement; correct?
 09:58:24 **22** A. Correct.
 09:58:31 **23** Q. And there are terms in Exhibit 11 that are
 09:58:35 **24** capitalized because they're defined terms; correct?
 09:58:39 **25** MR. KLUTHO: Object to the form of the
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09:59:34 **1** A. Yes.
 09:59:35 **2** Q. And Accounts Receivable Services, LLC d/b/a
 09:59:41 **3** Reliance Recoveries is defined as Purchaser with a
 09:59:42 **4** capital "P."
 09:59:44 **5** A. Correct.
 09:59:44 **6** Q. So each time in Exhibit 11 that we're
 09:59:49 **7** defining a term the term, once defined, gets a capital
 09:59:51 **8** letter; correct?
 09:59:52 **9** MR. KLUTHO: Incorrect, counsel. That is
 09:59:56 **10** an improper question. It is simply referring back to
 10:00:01 **11** the item before it.
 10:00:05 **12** A. I have no idea why they're capitalized.
 10:00:08 **13** Q. Well in the second paragraph when we use
 10:00:10 **14** seller, which has now been defined, it's capital "S,"
 10:00:13 **15** Seller; correct?
 10:00:14 **16** MR. KLUTHO: Correct.
 10:00:15 **17** A. Yes.
 10:00:16 **18** Q. And when purchaser is used in the second
 10:00:18 **19** paragraph, it's capital "P," Purchaser; correct?
 10:00:21 **20** A. Correct.
 10:00:21 **21** MR. KLUTHO: Stipulated.
 10:00:23 **22** Q. And "S" -- We already did seller.
 10:00:25 **23** Now we've got Assets, which is capital "A";
 10:00:28 **24** correct?
 10:00:29 **25** A. Yes.
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09:58:42 **1** question. How in the world do you come to that,
 09:58:44 **2** counsel? Where are the capitalizations that are
 09:58:52 **3** defined terms?
 09:58:53 **4** Q. Do you understand the question?
 09:58:54 **5** A. I do not.
 09:58:55 **6** Q. Okay. So, for example, the document refers
 09:58:56 **7** to a Purchase of Business Agreement as of October 7,
 09:59:01 **8** 2015, and then the word Agreement, which is what we're
 09:59:08 **9** defining the Purchase of Business Agreement, is
 09:59:11 **10** capital "A", Agreement; correct?
 09:59:13 **11** MR. KLUTHO: Good. I saw that. Thank you,
 09:59:15 **12** counsel, for --
 09:59:16 **13** A. Yes.
 09:59:17 **14** Q. And Allina Health System, which is defined
 09:59:19 **15** as Seller, has a capital "S"; correct?
 09:59:22 **16** MR. KLUTHO: Correct.
 09:59:23 **17** A. Yes.
 09:59:25 **18** MR. KLUTHO: Counsel, when I say "correct,"
 09:59:26 **19** you can move on, --
 09:59:27 **20** Q. And --
 09:59:28 **21** MR. KLUTHO: -- you don't need to wait for
 09:59:31 **22** her.
 09:59:31 **23** Q. -- the sale of certain accounts receivable
 09:59:32 **24** is defined as Assets with a capital "A."
 09:59:33 **25** MR. KLUTHO: Stipulated.
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10:00:29 **1** Q. All right. Then we get to the term Transfer
 10:00:32 **2** Date, which is capital "T," Transfer, capital "D,"
 10:00:38 **3** Date; correct?
 10:00:40 **4** MR. KLUTHO: Correct.
 10:00:41 **5** A. Correct.
 10:00:42 **6** Q. Is "Transfer Date" defined in Exhibit 11?
 10:00:49 **7** A. Yes.
 10:00:50 **8** Q. Where is it defined?
 10:00:52 **9** A. Well it was signed off on October 7th.
 10:00:55 **10** Q. Okay. Is there somewhere where "transfer
 10:00:57 **11** date" appears in parentheses with quotation marks like
 10:01:01 **12** all of the other defined terms?
 10:01:02 **13** MR. KLUTHO: Objection, argumentative.
 10:01:05 **14** Move on.
 10:01:06 **15** A. No.
 10:01:07 **16** Q. Is "transfer date" defined in the Purchase
 10:01:12 **17** of Business Agreement, the terms, conditions and
 10:01:14 **18** warranties of which this Agreement is pursuant to?
 10:01:22 **19** A. No.
 10:01:27 **20** MR. KLUTHO: Counsel, you keep arguing with
 10:01:29 **21** her. She told you what the transfer date was. Why
 10:01:32 **22** do you keep arguing?
 10:01:48 **23** Q. Assets is defined as certain accounts
 10:01:52 **24** receivable; correct? The first paragraph.
 10:01:58 **25** A. Yes, I do see that, sir.
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10:02:01 **1** Q. As --
 10:02:01 **2** A. "Assets as described therein to Accounts
 10:02:05 **3** Receivable Services, LLC."
 10:02:07 **4** Q. So the asset --
 10:02:08 **5** A. Mrs. Ferkingstad's account.
 10:02:13 **6** Q. Well I don't see Mrs. Ferkingstad's account
 10:02:15 **7** on this document.
 10:02:16 **8** Can you point it out to me?
 10:02:18 **9** A. She's right there at the bottom.
 10:02:18 **10** Q. Her last name appears at the bottom, I
 10:02:20 **11** understand.
 10:02:20 **12** A. That is correct, and that is --
 10:02:20 **13** Q. Do the words --
 10:02:21 **14** A. In my world that's Ms. Ferkingstad's
 10:02:24 **15** account. I don't know what it is in your world
 10:02:26 **16** because I don't live in your world, but in my world
 10:02:30 **17** that means we are purchasing Mrs. Ferkingstad's
 10:02:33 **18** account.
 10:02:36 **19** Q. In the first paragraph the assets are
 10:02:43 **20** described in --
 10:02:44 **21** A. Sir, --
 10:02:45 **22** Q. -- the Purchase of Business Agreement;
 10:02:46 **23** correct?
 10:02:47 **24** A. I'm -- I don't know what else to say to you.
 10:02:50 **25** I'm very frustrated with you at this point. You keep
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10:02:53 **1** going over the same thing over and over and over, and
 10:02:57 **2** I've answered it. I do not feel like I need to
 10:03:00 **3** continue to answer it, nor do you keep -- nor do you
 10:03:05 **4** have to keep reading it to me. I can read.
 10:03:10 **5** Q. Are the assets described in the business of
 10:03:14 **6** purchase agreement?
 10:03:14 **7** MR. KLUTHO: Objection, asked and answered.
 10:03:15 **8** She said they're the Ferkingstad and pointed it out
 10:03:19 **9** to you, counsel. Move on. We're not going to answer
 10:03:21 **10** any more questions on this.
 10:03:22 **11** Q. This is not the Purchase of Business
 10:03:24 **12** Agreement; correct?
 10:03:27 **13** MR. KLUTHO: These documents all go
 10:03:28 **14** together, counsel.
 10:03:30 **15** Q. Do you understand my question?
 10:03:31 **16** A. I do.
 10:03:32 **17** Q. This is not --
 10:03:34 **18** Exhibit 11 is not the Purchase of Business
 10:03:36 **19** Agreement; correct?
 10:03:37 **20** A. The Purchase of Business Agreement is this
 10:03:39 **21** [indicating].
 10:03:39 **22** Q. Okay. Exhibit 21 is what you're --
 10:03:41 **23** A. Exhibit 21.
 10:03:42 **24** Q. All right. Can you show me where in Exhibit
 10:03:45 **25** 21 the assets are described?
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10:03:48 **1** A. "Unpaid Medical bills."
 10:03:51 **2** Q. Is there any other description in Exhibit 21
 10:03:54 **3** of the assets that are being transferred from Allina
 10:03:58 **4** to ARS?
 10:04:01 **5** A. "Unpaid Medical bills."
 10:04:06 **6** Q. There's no other description.
 10:04:09 **7** MR. KLUTHO: Do you need her to say it
 10:04:11 **8** again?
 10:04:13 **9** A. "Unpaid Medical bills."
 10:04:19 **10** MR. SCHWIEBERT: Let's take a five-minute
 10:04:20 **11** break.
 10:04:21 **12** THE WITNESS: I think that's a very good
 10:04:23 **13** idea.
 10:04:24 **14** (Recess taken from 10:04 to 10:17 a.m.)
 10:18:19 **15** BY MR. SCHWIEBERT:
 10:18:23 **16** Q. Ms. Drennen, can you please look at
 10:18:25 **17** Deposition Exhibit 19. And if you turn to the second
 10:18:36 **18** page of Deposition Exhibit Number 19, there's a list
 10:18:41 **19** of deposition topics; correct?
 10:18:44 **20** A. Yes.
 10:18:45 **21** Q. And you understand that you've been
 10:18:46 **22** designated, on behalf of ARS, to testify as to these
 10:18:51 **23** deposition topics; correct?
 10:18:53 **24** A. Yes.
 10:18:53 **25** Q. Okay.
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10:18:54 **1** MR. KLUTHO: For the record, I will
 10:18:55 **2** reiterate, counsel, that you should limit your
 10:18:58 **3** examination to the sole remaining issue set forth in
 10:19:01 **4** the Judge's order, and caution you with respect to 28
 10:19:05 **5** United States Code, Section 1927 and your vexatious
 10:19:10 **6** litigation.
 10:19:11 **7** Q. What'd you do to prepare to testify on topic
 10:19:14 **8** number 1?
 10:19:14 **9** A. Reviewed your documents.
 10:19:16 **10** Q. Anything else?
 10:19:21 **11** A. No, not really. I do it every day, so it's
 10:19:23 **12** part of my job.
 10:19:25 **13** Q. Well topic number 1 is the business
 10:19:26 **14** relationship between ARS and Allina, and any changes
 10:19:30 **15** over the last six years; correct?
 10:19:32 **16** MR. KLUTHO: Counsel, I'm going to object
 10:19:34 **17** again that the Judge's order indicated that it has to
 10:19:38 **18** do with Ferkingstad and on the date of the
 10:19:40 **19** representation, and why you're asking about what
 10:19:41 **20** happened over the last six years is beyond me.
 10:19:45 **21** Subject to that, tell him about your -- why
 10:19:48 **22** you know about this.
 10:19:50 **23** A. I know about the changes in the last six
 10:19:53 **24** years because I have been employed by Accounts
 10:19:57 **25** Receivable Services for 17 years. Prior to that I
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10:20:01 **1** have worked in the collection industry for over 42
 10:20:05 **2** years.
 10:20:07 **3** MR. KLUTHO: But he's just asking about the
 10:20:09 **4** last --
 10:20:09 **5** **A.** I've worked really closely with Allina as my
 10:20:12 **6** client for 17 years.
 10:20:18 **7** **Q.** Has the business relationship between ARS
 10:20:23 **8** and Allina changed in the last six years?
 10:20:26 **9** MR. KLUTHO: Counsel, I'm going to object
 10:20:28 **10** that it's absolutely irrelevant. The only relevant
 10:20:30 **11** timeframe is 2015, as the Judge has indicated in her
 10:20:34 **12** order. Why are you asking that?
 10:20:40 **13** **A.** Everything changes day-to-day in any
 10:20:42 **14** business world. As far as our relationship; do I
 10:20:49 **15** still have them as a client, do I work closely with
 10:20:52 **16** them, are they part of my everyday work flow? Yes.
 10:21:00 **17** **Q.** For the last -- at least the last six years
 10:21:04 **18** ARS has been a wholly-owned subsidiary of Allina;
 10:21:07 **19** correct?
 10:21:07 **20** MR. KLUTHO: Same objections.
 10:21:09 **21** **A.** Yes.
 10:21:25 **22** **Q.** At one point in time, before 2014, ARS was
 10:21:30 **23** acting as a debt collection agency for Allina without
 10:21:36 **24** purchasing the debts; correct?
 10:21:38 **25** MR. KLUTHO: Same objections.
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10:22:43 **1** **Q.** We're on topic number 2.
 10:22:44 **2** **A.** Yes.
 10:22:45 **3** **Q.** What did you do to prepare to provide
 10:22:47 **4** testimony for ARS today on behalf of topic number 2?
 10:22:51 **5** MR. KLUTHO: Same objections.
 10:22:52 **6** **A.** Oh, I thought you said 1.
 10:22:56 **7** I reviewed the -- the information that was
 10:22:58 **8** given to me.
 10:22:59 **9** **Q.** What information was given to you?
 10:23:01 **10** **A.** In this packet. [Indicating exhibits.]
 10:23:07 **11** **Q.** The Notice of Deposition and other exhibits.
 10:23:09 **12** **A.** Yes.
 10:23:12 **13** **Q.** Did you do anything else?
 10:23:14 **14** **A.** No.
 10:23:15 **15** **Q.** Did you talk to anybody else in preparation
 10:23:17 **16** to testify on topic number 2?
 10:23:19 **17** **A.** No.
 10:23:19 **18** **Q.** Do you have any additional testimony to
 10:23:21 **19** provide on topic number 2?
 10:23:22 **20** **A.** No.
 10:23:22 **21** MR. KLUTHO: Object to the form of the
 10:23:23 **22** question. What do you mean, do you have any
 10:23:25 **23** additional testimony about number 2? This is what
 10:23:27 **24** she does day in and day out. She lives it.
 10:23:30 **25** **Q.** Topic number 3. What'd you do to prepare to
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10:21:40 **1** **A.** Yes. We are a third-party collection
 10:21:43 **2** agency.
 10:21:48 **3** **Q.** Does ARS do debt collection for someone
 10:21:55 **4** other than Allina?
 10:21:56 **5** **A.** Yes.
 10:22:00 **6** **Q.** Do you know what percentage of your work is
 10:22:01 **7** done for Allina?
 10:22:02 **8** MR. KLUTHO: Don't answer the question.
 10:22:04 **9** Don't answer it.
 10:22:05 **10** It's absolutely irrelevant to this case.
 10:22:08 **11** This was an Allina debt as to Ms. Ferkingstad and
 10:22:11 **12** you're not here to do a fishing expedition about ARS
 10:22:14 **13** and what work it does for others.
 10:22:17 **14** Don't answer it. I instruct you not to
 10:22:18 **15** answer.
 10:22:22 **16** **Q.** Do you have any additional testimony
 10:22:24 **17** regarding topic number 1?
 10:22:27 **18** **A.** No.
 10:22:28 **19** **Q.** Topic number 2. What'd you do to prepare to
 10:22:31 **20** testify on topic number 2?
 10:22:34 **21** MR. KLUTHO: Same objections.
 10:22:35 **22** **A.** I am confused. What was your question?
 10:22:39 **23** **Q.** Well we're -- we're moving down the list of
 10:22:41 **24** topics.
 10:22:42 **25** **A.** I got that.
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10:23:32 **1** testify on topic number 3?
 10:23:34 **2** MR. KLUTHO: Is that true?
 10:23:35 **3** THE WITNESS: That is true.
 10:23:38 **4** **A.** I'm sorry.
 10:23:39 **5** **Q.** What'd you do to prepare to testify on topic
 10:23:41 **6** number 3?
 10:23:42 **7** MR. KLUTHO: Same objections.
 10:23:44 **8** **A.** As stated, I do it daily. I don't have to
 10:23:48 **9** prepare to answer these questions. It's part of my
 10:23:50 **10** job.
 10:23:53 **11** **Q.** Did you do anything in particular to prepare
 10:23:56 **12** to testify on topic number 3?
 10:23:59 **13** **A.** Other than my daily work, no.
 10:24:04 **14** **Q.** Do you have any additional testimony to
 10:24:05 **15** provide on topic number 3?
 10:24:07 **16** MR. KLUTHO: Object to the form of the
 10:24:11 **17** question.
 10:24:11 **18** **A.** No.
 10:24:12 **19** **Q.** Topic number 4.
 10:24:13 **20** MR. KLUTHO: Same objections.
 10:24:16 **21** **Q.** Did you do anything to prepare to testify on
 10:24:19 **22** topic number 4?
 10:24:20 **23** **A.** No. Other than review the -- these
 10:24:22 **24** documents, no.
 10:24:28 **25** **Q.** Do you have any testimony to provide as it
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10:24:30 **1** relates to topic number 4?
 10:24:31 **2** MR. KLUTHO: Object to the form of the
 10:24:33 **3** question.
 10:24:33 **4** **A.** No.
 10:24:35 **5** **Q.** Topic number 5. What'd you do to prepare to
 10:24:39 **6** testify on topic number 5?
 10:24:41 **7** **A.** Nothing except review the document.
 10:24:46 **8** **Q.** Other than you've already provided, do you
 10:24:48 **9** have any testimony to provide on behalf of ARS
 10:24:51 **10** regarding topic number 5?
 10:24:53 **11** MR. KLUTHO: Object to the form of the
 10:24:53 **12** question.
 10:24:54 **13** **A.** No.
 10:24:55 **14** **Q.** Topic number 6.
 10:24:57 **15** MR. KLUTHO: Same objection.
 10:24:58 **16** **Q.** What did you do to prepare to testify on
 10:24:59 **17** topic number 6?
 10:25:04 **18** **A.** Just review the information that was
 10:25:06 **19** provided in the packet.
 10:25:08 **20** **Q.** Nothing else.
 10:25:09 **21** **A.** No.
 10:25:10 **22** **Q.** Other than you've already testified, do you
 10:25:13 **23** have any additional testimony regarding topic number
 10:25:16 **24** 6?
 10:25:16 **25** MR. KLUTHO: Object to the form of the
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10:26:29 **1** have any additional testimony on behalf of ARS
 10:26:32 **2** regarding topic number 8?
 10:26:33 **3** **A.** No.
 10:26:33 **4** MR. KLUTHO: Object to the form of the
 10:26:35 **5** question.
 10:26:36 **6** **Q.** Topic number 9. What'd you do to prepare on
 10:26:42 **7** -- to testify on behalf of ARS on topic number 9?
 10:26:46 **8** **A.** Reviewed the information that was provided
 10:26:48 **9** to me in the packet.
 10:26:51 **10** **Q.** Well there was not a Purchase of Business
 10:26:55 **11** Agreement as of October 7th, 2015 in the packet, was
 10:27:02 **12** there?
 10:27:03 **13** MR. KLUTHO: Objection, counsel,
 10:27:04 **14** argumentative. Do you want her to go back over and
 10:27:07 **15** explain what that document is?
 10:27:09 **16** Go ahead and do that.
 10:27:11 **17** THE WITNESS: I believe you're referring to
 10:27:13 **18** the Blanket Purchase Agreement.
 10:27:17 **19** **Q.** So in preparing to testi --
 10:27:18 **20** MR. KLUTHO: Exhibit 21?
 10:27:20 **21** THE WITNESS: Exhibit 21.
 10:27:21 **22** **Q.** In preparing to testify on topic number 9
 10:27:23 **23** you reviewed the Blanket Purchase Agreement.
 10:27:25 **24** **A.** I already knew what the Blanket Purchase
 10:27:27 **25** Agreement was. I did not have to review it.
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10:25:17 **1** question.
 10:25:18 **2** **A.** No.
 10:25:19 **3** **Q.** Topic number 7.
 10:25:21 **4** **A.** You have my name spelled wrong.
 10:25:27 **5** **Q.** I apologize. And I know I said it wrong
 10:25:32 **6** yesterday. I think I used the name of a town in
 10:25:36 **7** Germany that got bombed, so I definitely apologize.
 10:25:38 **8** **A.** Well I know that you're very particular
 10:25:40 **9** about names, so therefore I would like mine spelled
 10:25:43 **10** correctly.
 10:25:48 **11** **Q.** I threw an "a" in there.
 10:25:49 **12** **A.** Correct.
 10:25:50 **13** **Q.** I apologize.
 10:25:51 **14** You understood, despite my typo, that I was
 10:25:58 **15** referring to Exhibit D; correct?
 10:26:01 **16** **A.** Yes.
 10:26:05 **17** **Q.** What did you do to prepare to testify on
 10:26:07 **18** topic number 7?
 10:26:11 **19** **A.** Other than review the information provided
 10:26:13 **20** in the packet, nothing.
 10:26:16 **21** **Q.** Topic number 8. What did you do to prepare
 10:26:19 **22** to testify on behalf of ARS on topic number 8?
 10:26:23 **23** **A.** Other than review the information provided
 10:26:24 **24** in the packet, nothing.
 10:26:27 **25** **Q.** Other than you've already testified, do you
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10:27:32 **1** **Q.** Besides the testimony you've already
 10:27:33 **2** provided, are you prepared to provide any testimony on
 10:27:37 **3** behalf of ARS regarding topic number 9?
 10:27:38 **4** MR. KLUTHO: Object to the form of the
 10:27:40 **5** question.
 10:27:40 **6** **A.** No.
 10:27:42 **7** **Q.** Topic number 10. What'd you do to prepare
 10:27:45 **8** to testify on topic number 10?
 10:27:49 **9** **A.** Reviewed the information that was provided
 10:27:51 **10** in the packet.
 10:27:54 **11** **Q.** Nothing else.
 10:27:56 **12** **A.** I investigated why it was a different date
 10:27:59 **13** than provided in the packet.
 10:28:02 **14** **Q.** And how did you investigate that?
 10:28:05 **15** **A.** I communicated with Ms. Nagle.
 10:28:09 **16** **Q.** When did that conversation take place?
 10:28:12 **17** **A.** Yesterday.
 10:28:14 **18** **Q.** What did Ms. Nagle tell you?
 10:28:16 **19** **A.** She explained to me the information on the
 10:28:19 **20** interest; that the principal had not changed, that the
 10:28:24 **21** reason she reprinted it was because interest had been
 10:28:27 **22** added during the logistics of Allina returning the
 10:28:33 **23** packet on Ms. Ferkingstad.
 10:28:46 **24** **Q.** And that means that the Exhibit 1A which
 10:28:52 **25** appears in Exhibit 12 has a balance which is higher,
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10:28:58 **1** because there's been additional interest, than the
 10:29:00 **2** Exhibit 1A that was part of the package actually sent
 10:29:05 **3** to Allina to purchase this debt.
 10:29:07 **4** **A.** Not in the principal, only in the interest.
 10:29:10 **5** Allina does not care about the interest.
 10:29:19 **6** **Q.** Exhibit 12 has a principal balance column
 10:29:24 **7** and an account balance column; correct?
 10:29:26 **8** **A.** Correct.
 10:29:27 **9** **Q.** The principal balance column, you're telling
 10:29:30 **10** me, would be the same between the Exhibit 1A that was
 10:29:34 **11** actually printed by Ms. Nagle and Exhibit 12; correct?
 10:29:41 **12** I'm back one on Exhibit 12.
 10:29:42 **13** **MR. KLUTHO:** No, I'm just looking at
 10:29:44 **14** Exhibit 13 where that principal amount is the same
 10:29:46 **15** as.
 10:29:47 **16** **A.** Is listed as the same as Exhibit --
 10:29:51 **17** **Q.** 12.
 10:29:51 **18** **A.** -- 12.
 10:29:52 **19** **Q.** But the account balance column on Exhibit 12
 10:29:55 **20** is actually higher than the Exhibit 1A that was
 10:29:59 **21** attached to Exhibit 11 and 8 when it was sent to
 10:30:06 **22** Allina.
 10:30:07 **23** **A.** As explained to you yesterday by Ms.
 10:30:10 **24** Fountain, they only look at the principal. We only
 10:30:15 **25** purchase the principal. The rest of the information
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10:31:24 **1** **MR. KLUTHO:** Object to the form of the
 10:31:25 **2** question.
 10:31:26 **3** **A.** No.
 10:31:30 **4** **Q.** Topic number 12. Does ARS have procedures
 10:31:37 **5** relating to the timing for the commencement of
 10:31:39 **6** conciliation court lawsuits on Allina Health Systems'
 10:31:43 **7** medical debts?
 10:31:44 **8** **MR. KLUTHO:** Object to the form of the
 10:31:46 **9** question, it's vague as to time.
 10:31:49 **10** With respect to Ms. Ferkingstad go ahead
 10:31:51 **11** and let him know if you have anything.
 10:31:54 **12** **A.** We do have procedures in place, but they
 10:31:58 **13** aren't time constrained. There are so many different
 10:32:03 **14** things that can happen to an account that might delay
 10:32:10 **15** a certain account from being reviewed. All of our
 10:32:14 **16** accounts, prior to being purchased, are reviewed for
 10:32:20 **17** asset information, correct address information, they
 10:32:26 **18** go through the AG compliance requirements, we make
 10:32:30 **19** sure all third-party payors are exhausted, we make
 10:32:34 **20** sure that the responsible party is not over age and on
 10:32:42 **21** Medicare or Medicaid. Whatever else is included in
 10:32:51 **22** the -- We have a checklist that we go through with the
 10:32:54 **23** AG requirements on prior to purchasing the account.
 10:32:58 **24** **Q.** Okay. Is there a policy for the timing of
 10:33:06 **25** the filing of the conciliation court lawsuits for
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10:30:19 **1** is only particular to ARS as interest applied prior to
 10:30:26 **2** purchasing the debt.
 10:30:28 **3** **Q.** But the effect of printing it later in time
 10:30:31 **4** is there's a higher account balance in that column on
 10:30:34 **5** Exhibit 12 because additional interest has been
 10:30:37 **6** accrued.
 10:30:37 **7** **A.** Logistically, yes.
 10:30:43 **8** **Q.** Topic number --
 10:30:44 **9** Do you have any other additional testimony
 10:30:45 **10** on topic number 10?
 10:30:47 **11** **MR. KLUTHO:** Object to the form of the
 10:30:48 **12** question.
 10:30:51 **13** **A.** No.
 10:30:52 **14** **Q.** Topic number 11. What'd you do to prepare
 10:30:55 **15** to testify on topic number 11?
 10:31:02 **16** **A.** What -- Can you tell me what number Exhibit
 10:31:04 **17** --
 10:31:04 **18** **MR. KLUTHO:** The last two pages.
 10:31:05 **19** **Q.** G is the bad debt final referral document.
 10:31:11 **20** **A.** Did I do anything to prepare --
 10:31:13 **21** **Q.** To prepare to testify --
 10:31:14 **22** **A.** No. I reviewed it.
 10:31:17 **23** **Q.** Other than you've already testified, do you
 10:31:20 **24** have any additional testimony to provide on behalf of
 10:31:22 **25** ARS on topic number 11?
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10:33:08 **1** Allina?
 10:33:09 **2** **A.** Not for the timing, no. Other than we do
 10:33:13 **3** not sue debts that are statute of limitations.
 10:33:19 **4** **Q.** Is there a policy about how long after you
 10:33:23 **5** acquire the debts from Allina that you file the
 10:33:27 **6** conciliation court complaint?
 10:33:28 **7** **A.** No.
 10:33:40 **8** **Q.** Did you do anything to prepare to testify on
 10:33:41 **9** topic number 12?
 10:33:44 **10** **MR. KLUTHO:** You asked that question.
 10:33:47 **11** **Q.** If I did, I apologize, but I don't believe I
 10:33:49 **12** asked that one yet.
 10:33:50 **13** **MR. KLUTHO:** That's when we started talking
 10:33:53 **14** about it, item 12.
 10:33:55 **15** **A.** Other than review the information provided
 10:33:57 **16** to me, no.
 10:33:59 **17** **Q.** And by "the information provided" to you you
 10:34:01 **18** mean the attachment to the Notice of Deposition.
 10:34:04 **19** **A.** Correct.
 10:34:09 **20** **Q.** Topic number 13. Did you do anything to
 10:34:12 **21** prepare to testify on topic number 13?
 10:34:16 **22** **MR. KLUTHO:** Same objections.
 10:34:17 **23** **A.** Same answer. No, not except to review what
 10:34:22 **24** was provided to me.
 10:34:23 **25** **Q.** And by "provided" to you you mean the things
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10:34:26 **1** that were attached to the notice of deposition.
 10:34:28 **2** **A.** Correct.
 10:34:30 **3** **Q.** Does ARS have procedures for drafting its
 10:34:34 **4** conciliation court complaints based on Allina's
 10:34:37 **5** medical debts?
 10:34:38 **6** **MR. KLUTHO:** Object to the form of the
 10:34:40 **7** question.
 10:34:41 **8** **A.** Yes, we do have procedures.
 10:34:43 **9** **Q.** Okay. And what are those procedures for
 10:34:45 **10** drafting the conciliation court complaint?
 10:34:50 **11** **A.** I don't know what --
 10:34:51 **12** **MR. KLUTHO:** Object to the form of the
 10:34:51 **13** question.
 10:34:52 **14** **A.** I don't know what you mean by "drafting."
 10:34:55 **15** Do you mean compiling it and getting it ready to go
 10:34:58 **16** over to Allina? What do you mean by "drafting"?
 10:35:01 **17** **Q.** Well this is --
 10:35:04 **18** ARS has decided that it wants to file a
 10:35:06 **19** lawsuit so it purchases the debt from Allina.
 10:35:08 **20** **A.** Yes.
 10:35:10 **21** **Q.** Then after it's purchased the debt --
 10:35:12 **22** **A.** Yes.
 10:35:13 **23** **Q.** -- it files a conciliation court complaint
 10:35:15 **24** against the defendant.
 10:35:16 **25** **A.** Correct.

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10:36:47 **1** **A.** Conciliation court rep.
 10:36:49 **2** **Q.** -- conciliation court rep. Let me write it
 10:36:53 **3** down.
 10:36:54 **4** Are there other documents that the
 10:36:56 **5** procedures tell the conciliation court repre -- to put
 10:37:01 **6** in the file that's compiled to present to the judge in
 10:37:04 **7** conciliation court?
 10:37:05 **8** **A.** Yes.
 10:37:05 **9** **Q.** And that's the Suit Authorization and
 10:37:07 **10** Assignment document.
 10:37:07 **11** **A.** Correct.
 10:37:08 **12** **Q.** Okay. Besides those three documents, --
 10:37:13 **13** **A.** The summons and complaint --
 10:37:21 **14** **Q.** Anything else?
 10:37:22 **15** **A.** -- goes in the file.
 10:37:23 **16** **Q.** Anything else?
 10:37:25 **17** **A.** Did you include the transmittal?
 10:37:27 **18** **Q.** Exhibit 1A.
 10:37:29 **19** **A.** Yes. That's in there too.
 10:37:29 **20** **Q.** You --
 10:37:32 **21** **A.** I'm sorry.
 10:37:32 **22** **Q.** Anything else?
 10:37:33 **23** **A.** 1A, or F, or whatever you call it these
 10:37:36 **24** days. 12.
 10:37:37 **25** **Q.** Exhibit 12 is the only copy I have.

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10:35:17 **1** **Q.** Okay. Are there procedures that govern the
 10:35:20 **2** drafting of that complaint?
 10:35:23 **3** **A.** Yes.
 10:35:24 **4** **Q.** What are those procedures?
 10:35:27 **5** **A.** Well there -- there are procedures to
 10:35:31 **6** instruct the conciliation court reps how to transfer
 10:35:36 **7** the debt from service rendered to purchased, and then
 10:35:45 **8** there are procedures to print out the summons and
 10:35:51 **9** complaint. There are procedures to compile a file to
 10:35:57 **10** go to court and present to the Judge.
 10:36:04 **11** **Q.** Okay. Let's talk about the procedures for
 10:36:06 **12** compiling the file to go to court and present to the
 10:36:09 **13** Judge.
 10:36:09 **14** **A.** Umm-hmm.
 10:36:11 **15** **Q.** Those procedures include printing Exhibit 11
 10:36:24 **16** and an Exhibit 1A; correct?
 10:36:29 **17** **MR. KLUTHO:** Object to the form of the
 10:36:30 **18** question.
 10:36:31 **19** Are you limiting it to just that, counsel?
 10:36:34 **20** **A.** Yes, --
 10:36:35 **21** **Q.** Among other documents.
 10:36:36 **22** **A.** Yes.
 10:36:37 **23** **Q.** Are there other documents that the procedure
 10:36:39 **24** for compiling the file to present to the court
 10:36:42 **25** instructs the -- I forgot --

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10:37:38 **1** **A.** Exhibit 12, okay.
 10:37:40 **2** **Q.** All right.
 10:37:43 **3** **A.** We also include a printout of the account
 10:37:46 **4** from our system that would have any notes on it that
 10:37:50 **5** might pertain to the account of Ms. Ferkingstad.
 10:38:15 **6** Okay. We also bring to court with us a
 10:38:17 **7** Charity Care application, a stipulation to fill out if
 10:38:22 **8** we do reach an agreement with the patient at the time
 10:38:26 **9** they appear in court, if they appear in court. We,
 10:38:33 **10** you know, try very hard to resolve any of the cases
 10:38:37 **11** that we bring to conciliation court. Reliance has a
 10:38:41 **12** very good reputation in the courts for talking to the
 10:38:44 **13** consumers and trying to get them to resolve the
 10:38:48 **14** account prior to going before the Judge. We have at
 10:38:55 **15** least, I would say, in all counties, a 50 to 60
 10:39:02 **16** percent resolved ratio of accounts prior to court or
 10:39:08 **17** even at court.
 10:39:12 **18** I've had consumers in court, especially one
 10:39:17 **19** particular I'm thinking of in Hennepin County, where a
 10:39:19 **20** lady appeared, we had had no contact with her
 10:39:22 **21** whatsoever. She appeared, I went to speak with her in
 10:39:27 **22** a room, she explained to me she had been unemployed,
 10:39:31 **23** that she had children. I reviewed the guidelines for
 10:39:37 **24** the free care and the Charity Care and gave her an
 10:39:41 **25** application at that time to apply. She told me she

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10:39:46 **1** would apply and mail it back to our client. I
 10:39:50 **2** explained if she was approved the accounts would be
 10:39:53 **3** forgiven. We went back in the courtroom in front of
 10:39:56 **4** the Judge and she actually broke down in tears and
 10:39:59 **5** thanked me for how understanding I was. That is a
 10:40:03 **6** norm for us at Reliance Recoveries. We do that at all
 10:40:09 **7** court appearances with my representatives. It's very
 10:40:13 **8** important to us to work with people and to try to
 10:40:16 **9** resolve accounts before asking for a judgment. At the
 10:40:30 **10** time the Judge commented that he'd never seen that in
 10:40:33 **11** his courtroom.
 10:40:48 **12** (Exhibit 22 marked for identification.)
 10:40:48 **13** BY MR. SCHWIEBERT:
 10:40:52 **14** **Q.** Ms. Drennen, I've handed you -- the court
 10:40:55 **15** reporter has handed you what's been marked as
 10:40:57 **16** Deposition Exhibit Number 22. And if you look in the
 10:41:00 **17** lower right-hand corner you'll see that they are -- we
 10:41:06 **18** call them Bates labels, as attorneys -- Bates labeled
 10:41:10 **19** ARS 1 through 18.
 10:41:14 **20** MR. KLUTHO: Stipulated.
 10:41:17 **21** **Q.** These are the documents that have been
 10:41:18 **22** provided by ARS to the plaintiff in this case. And I
 10:41:22 **23** do apologize, there are some exhibit stickers on here
 10:41:25 **24** that were not on them when they were sent to me, so
 10:41:28 **25** I'm -- just so it's clear.

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10:43:28 **1** stamp at the top.
 10:43:30 **2** **A.** Yes. That's the date the Court received it.
 10:43:32 **3** **Q.** Okay. But we know that the Complaint is
 10:43:36 **4** done by ARS at least as early as October 14th of 2015,
 10:43:43 **5** which is the date that the notary enters for Ms.
 10:43:49 **6** Nagle's signature.
 10:43:53 **7** **A.** It appears to be, yes. I can't see if
 10:43:56 **8** that's a 14 or a 9, but.
 10:44:04 **9** **Q.** Is the reason why Exhibit 12 was printed was
 10:44:11 **10** in preparation for -- or is it -- Let me start over
 10:44:16 **11** again.
 10:44:16 **12** Is it ARS's policy to make sure there is a
 10:44:19 **13** printed version of Exhibit 12 prior to filing the
 10:44:24 **14** Complaint against the consumers?
 10:44:27 **15** **A.** Just a second. Let me get to 12. (Witness
 10:44:27 **16** reviewing exhibit.)
 10:44:37 **17** Yes. They would have prepared the file for
 10:44:40 **18** court at that time.
 10:44:42 **19** **Q.** So the -- it's prepared for court before the
 10:44:46 **20** Complaint is filed.
 10:44:48 **21** **A.** Correct, --
 10:44:48 **22** **Q.** Okay.
 10:44:48 **23** **A.** -- because we know we are going to court
 10:44:51 **24** after we have purchased it.
 10:44:53 **25** **Q.** You made reference to other documents in

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10:41:32 **1** Are you familiar with these documents?
 10:41:45 **2** **A.** (Witness reviewing exhibit.) I believe that
 10:42:31 **3** it is part -- partly the packet that was --
 10:42:34 **4** MR. KLUTHO: He just asked if you're
 10:42:35 **5** familiar with the document.
 10:42:36 **6** **A.** Yes. Yes.
 10:42:37 **7** **Q.** Are you aware of additional documents
 10:42:39 **8** besides this stack that have been provided to the
 10:42:42 **9** plaintiff?
 10:42:42 **10** **A.** No.
 10:42:42 **11** MR. KLUTHO: Well counsel, I just gave you
 10:42:44 **12** some documents today.
 10:42:45 **13** **Q.** Besides the document I got at the beginning
 10:42:46 **14** of this deposition and the things that were marked
 10:42:49 **15** yesterday, are you aware of any other documents that
 10:42:54 **16** have been provided to the plaintiff?
 10:42:55 **17** MR. KLUTHO: Counsel, that wasn't meant as
 10:42:57 **18** a joke. I'm not sure why you're laughing.
 10:42:59 **19** **A.** No.
 10:43:00 **20** **Q.** The first page, ARS 1, is the Complaint that
 10:43:03 **21** was filed by ARS against Andrea N. Ferkingstad;
 10:43:11 **22** correct?
 10:43:11 **23** **A.** Yes.
 10:43:20 **24** **Q.** The file date as appears on the document is
 10:43:24 **25** October 19th of 2015; correct? It's reflected in a

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10:45:06 **1** your file. If you look at ARS 13?
 10:45:15 **2** **A.** I have num --
 10:45:17 **3** I have letters.
 10:45:18 **4** **Q.** If you look at the numbers in the lower
 10:45:20 **5** right, those little Bate -- page Bates labels.
 10:45:24 **6** **A.** Number what? I'm sorry.
 10:45:25 **7** **Q.** Thirteen.
 10:45:29 **8** **A.** Yes.
 10:45:31 **9** **Q.** What is ARS 13?
 10:45:36 **10** **A.** That is a accumulation of the principal
 10:45:41 **11** balance, the interest that has been charged, and the
 10:45:45 **12** total.
 10:45:46 **13** **Q.** Okay. That's the content of it.
 10:45:48 **14** Is ARS -- And I apologize if my question was
 10:45:54 **15** imprecise. ARS is --
 10:45:56 **16** ARS 13 is something that's printed off of
 10:46:00 **17** ARS's computer system on October 14th of 2015.
 10:46:05 **18** **A.** Correct.
 10:46:06 **19** **Q.** Okay. And you know by that --
 10:46:10 **20** Well is this a document that's printed off
 10:46:12 **21** prior to the Complaint being filed?
 10:46:17 **22** **A.** I don't know what you mean by "prior to the
 10:46:19 **23** Complaint." Are you talking about when we mail the
 10:46:23 **24** summons to the court? Yes, it is printed out prior
 10:46:27 **25** probably.

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10:46:28 **1** Q. What's the purpose of ARS 13?
 10:46:31 **2** A. It's so that when we go to court and the
 10:46:34 **3** consumer has a question about what we are bringing him
 10:46:39 **4** to court on we can give him a copy of this, which is
 10:46:45 **5** our information on the debt that was purchased from
 10:46:50 **6** Allina.
 10:46:56 **7** Q. ARS 13 is -- it's prepared to be used at the
 10:47:02 **8** court.
 10:47:03 **9** A. It is put in the court file, correct.
 10:47:05 **10** Q. I mean, it even has --
 10:47:07 **11** A. We don't really use it in court. It is
 10:47:09 **12** there for questions if the consumer is questioning
 10:47:17 **13** what we purchased.
 10:47:19 **14** Q. Why is there a reference to "conciliation
 10:47:21 **15** court Hennepin" on this document?
 10:47:23 **16** A. Because this was for a Hennepin conciliation
 10:47:26 **17** court date.
 10:47:30 **18** Q. Why is there a reference to attorney's fees
 10:47:32 **19** on this document?
 10:47:34 **20** A. Well there would -- on this at some point
 10:47:40 **21** this same document would have been printed out to be
 10:47:43 **22** forwarded to an attorney if a judgment would have been
 10:47:46 **23** obtained and it would have defaulted. At this point
 10:47:51 **24** there was not any attorney fees.
 10:48:06 **25** This is just basically a snapshot of the
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10:49:27 **1** presenting documentation to consumer defendants and
 10:49:33 **2** conciliation court judges at ARS?
 10:49:35 **3** A. Yes.
 10:49:35 **4** Q. What are those procedures?
 10:49:38 **5** A. Did we not just go through this? Is there
 10:49:41 **6** something different I'm missing here?
 10:49:44 **7** Q. Let me ask it this way.
 10:49:46 **8** A. Okay.
 10:49:47 **9** Q. Other than you've just testified, are there
 10:49:48 **10** any procedures for collecting and presenting
 10:49:51 **11** documentation?
 10:49:51 **12** A. Other than what I just testified? No.
 10:49:55 **13** Q. Are there any procedures for not presenting
 10:49:58 **14** certain documents to conciliation court judges?
 10:50:01 **15** MR. KLUTHO: Object to the form of the
 10:50:03 **16** question.
 10:50:03 **17** A. No.
 10:50:03 **18** MR. KLUTHO: If you understand it, you can
 10:50:04 **19** answer.
 10:50:05 **20** A. No.
 10:50:05 **21** Q. Are there any procedures for not presenting
 10:50:09 **22** certain documentations to consumer defendants?
 10:50:11 **23** MR. KLUTHO: Object to the form of the
 10:50:13 **24** question.
 10:50:14 **25** A. No.
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10:48:10 **1** account in our system at the time we appear in court.
 10:48:14 **2** Q. To be provided to the consumer.
 10:48:16 **3** A. Correct. It is not presented to anybody
 10:48:19 **4** except the consumer, if they have questions.
 10:48:24 **5** Q. I'm looking back now at Exhibit 19, page
 10:48:36 **6** two, the list of deposition topics. I think if you
 10:48:39 **7** just flip that bundle it'll be right on the top of
 10:48:42 **8** your...
 10:48:43 **9** A. (Witness complying.)
 10:48:44 **10** Q. There you go.
 10:48:45 **11** Other than you've already testified, do you
 10:48:47 **12** have any testimony regarding topic number 13?
 10:48:49 **13** MR. KLUTHO: Object to the form of the
 10:48:49 **14** question.
 10:48:49 **15** A. No.
 10:48:55 **16** Q. What'd you do to prepare to testify on topic
 10:48:57 **17** number 14?
 10:49:07 **18** A. Reviewed the information provided.
 10:49:09 **19** Q. And by "information provided" you mean the
 10:49:12 **20** attachments that were -- to the Notice of Taking
 10:49:17 **21** Deposition.
 10:49:17 **22** A. Correct.
 10:49:19 **23** Q. Did you do anything else?
 10:49:20 **24** A. No.
 10:49:22 **25** Q. Are there procedures for collecting and
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10:50:15 **1** Q. Are there any --
 10:50:16 **2** Do the procedures require that certain
 10:50:20 **3** documentation be presented to the consumer defendants?
 10:50:24 **4** A. No.
 10:50:25 **5** Q. Are there procedures that require certain
 10:50:29 **6** documentation to be presented to the conciliation
 10:50:31 **7** court judge?
 10:50:34 **8** A. To the judge himself? Yes, we --
 10:50:37 **9** Q. It could be a her.
 10:50:39 **10** A. -- comply with any of the judge's requests.
 10:50:40 **11** Q. Okay. But is there a procedure at ARS that
 10:50:48 **12** requires certain documentation to be shown to the
 10:50:50 **13** judge?
 10:50:53 **14** A. If they request, yes.
 10:50:59 **15** Q. And that's the procedure. If they ask for
 10:51:01 **16** it, then your --
 10:51:02 **17** A. That's correct.
 10:51:03 **18** Q. -- conciliation court representatives are
 10:51:06 **19** instructed to present the evidence that they have in
 10:51:09 **20** the file that's created before the Complaint is sent
 10:51:12 **21** to the court to the Judge.
 10:51:14 **22** A. Yes. And also on contested cases.
 10:51:19 **23** Q. Is it different in a contested case?
 10:51:23 **24** A. At times, yes.
 10:51:24 **25** Q. How is it different?
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10:51:28 **1** A. Well as I stated before, we do everything we
 10:51:32 **2** can to resolve the accounts prior to court.
 10:51:34 **3** Q. I understand.
 10:51:35 **4** A. Sometimes that doesn't happen. Sometimes we
 10:51:40 **5** make the decision to go into the courtroom with the
 10:51:47 **6** consumer and appear in front of the judge. Sometimes
 10:51:51 **7** we make the decision to dismiss the case with
 10:51:57 **8** prejudice. Sometimes we make the decision to dismiss
 10:52:00 **9** the case without prejudice.
 10:52:09 **10** Q. Does ARS have a policy which is communicated
 10:52:13 **11** to its conciliation court representatives on how
 10:52:16 **12** they're to handle the matters if the defendant is
 10:52:19 **13** represented by counsel?
 10:52:20 **14** MR. KLUTHO: Object to the question,
 10:52:22 **15** counsel, it's completely outside the scope of the
 10:52:28 **16** sole issue remaining in this case, which as the Judge
 10:52:31 **17** has instructed you, is whether or not they owned the
 10:52:34 **18** debt when they went to conciliation court.
 10:52:37 **19** A. No.
 10:52:37 **20** MR. KLUTHO: We're not here for a fishing
 10:52:38 **21** expedition, counsel.
 10:52:40 **22** Q. Was Teresa Nagle instructed, in the Andrea
 10:52:49 **23** Ferkingstad matter, on how to handle the case if Ms.
 10:52:56 **24** Ferkingstad was represented by counsel?
 10:52:57 **25** MR. KLUTHO: Same objection.
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10:53:38 **1** out in the hallway soliciting business, is that what
 10:53:42 **2** you're referring to?
 10:53:42 **3** Q. On the day of the hearing, which was
 10:53:51 **4** November 13th, 2016, --
 10:53:55 **5** A. Yes.
 10:53:55 **6** Q. -- you were there in conciliation court.
 10:53:57 **7** A. I was out in the hallway.
 10:53:59 **8** Q. In Hennepin County.
 10:54:00 **9** A. Yes. Helping my conciliation court reps
 10:54:03 **10** with people who show up to try and resolve their
 10:54:06 **11** bills.
 10:54:19 **12** Q. Did you make the decision to dismiss the
 10:54:24 **13** Complaint against...
 10:54:26 **14** Well Ralph O'Neil was the consumer
 10:54:28 **15** conciliation court representative who was there that
 10:54:30 **16** day; correct?
 10:54:32 **17** A. Yes.
 10:54:32 **18** Q. Okay. Did you make the decision to dismiss
 10:54:35 **19** the case against Ms. Ferkingstad?
 10:54:37 **20** A. No, I did not.
 10:54:39 **21** Q. Did Mr. O'Neil make the decision to dismiss
 10:54:41 **22** the case against Ms. Ferkingstad?
 10:54:43 **23** A. If that's what he did I would assume he did
 10:54:46 **24** make the decision.
 10:54:47 **25** Q. Did he talk to you about that decision?
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10:52:58 **1** A. No.
 10:52:59 **2** MR. KLUTHO: Was she represented by
 10:53:00 **3** counsel? Ferkingstad, did she have a lawyer in
 10:53:04 **4** conciliation court?
 10:53:05 **5** THE WITNESS: Yes.
 10:53:05 **6** MR. KLUTHO: Who was it?
 10:53:07 **7** THE WITNESS: Him.
 10:53:07 **8** MR. KLUTHO: Him. That guy right there?
 10:53:08 **9** THE WITNESS: Yeah, him.
 10:53:09 **10** MR. KLUTHO: Geez. Counsel, when can I
 10:53:12 **11** take your deposition?
 10:53:15 **12** THE WITNESS: He beat us up pretty well in
 10:53:16 **13** court.
 10:53:16 **14** MR. KLUTHO: Counsel, when can I take your
 10:53:18 **15** deposition? Do I need a subpoena, or are you just
 10:53:21 **16** going to appear voluntarily?
 10:53:25 **17** THE WITNESS: He was out in the hallway
 10:53:28 **18** with a clipboard -- with a clipboard soliciting
 10:53:30 **19** business.
 10:53:32 **20** BY MR. SCHWIEBERT:
 10:53:32 **21** Q. Were you there in Hennepin County --
 10:53:34 **22** A. Yeah.
 10:53:34 **23** Q. -- on the day?
 10:53:35 **24** A. Yeah.
 10:53:37 **25** MR. KLUTHO: The day that you were there
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10:54:50 **1** A. Other than to say you were there, no.
 10:55:15 **2** Q. Other than you've already testified, do you
 10:55:21 **3** have any additional testimony to provide on behalf of
 10:55:23 **4** ARS regarding topic number 14?
 10:55:25 **5** MR. KLUTHO: Object to the form of the
 10:55:27 **6** question.
 10:55:33 **7** A. No.
 10:55:34 **8** Q. What'd you do to prepare to testify on topic
 10:55:36 **9** number 15?
 10:55:38 **10** MR. KLUTHO: Object to the form of the
 10:55:39 **11** question, it calls for a legal conclusion and this
 10:55:41 **12** witness is not a lawyer.
 10:55:47 **13** A. I have no answer to that question other than
 10:55:54 **14** I'm not a lawyer. I cannot answer that.
 10:55:58 **15** Q. I'm just asking you what you did to prepare
 10:55:59 **16** to testify on that topic.
 10:56:00 **17** MR. KLUTHO: Well she talked to me, and I
 10:56:02 **18** told her that she had standing. Do you want me to
 10:56:05 **19** tell you why she has standing, counsel?
 10:56:07 **20** Q. Other than speaking with counsel, did you --
 10:56:09 **21** A. Correct.
 10:56:09 **22** Q. -- do anything to prepare to testify on
 10:56:11 **23** topic number 15?
 10:56:12 **24** A. No.
 10:56:12 **25** Q. Do you have any testimony to provide on
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10:56:14 **1** behalf of ARS regarding topic number 15?
 10:56:18 **2** MR. KLUTHO: Sure. They purchased the
 10:56:19 **3** account from Allina --
 10:56:23 **4** THE WITNESS: We did.
 10:56:23 **5** MR. KLUTHO: -- and they have standing.
 10:56:25 **6** That's what I told her.
 10:56:27 **7** And you can repeat that if you want, what I
 10:56:28 **8** told you about that. Go ahead.
 10:56:30 **9** **A.** It's pretty simple. We purchase accounts
 10:56:34 **10** from Allina for conciliation court every day. That's
 10:56:42 **11** what we do.
 10:56:45 **12** **Q.** That's your business.
 10:56:46 **13** **A.** That is part of my business, not my only
 10:56:50 **14** business, but yes.
 10:56:52 **15** **Q.** Do you know how many accounts you purchase
 10:56:54 **16** in a year?
 10:56:55 **17** **A.** No.
 10:56:55 **18** MR. KLUTHO: Object to the form of the
 10:56:56 **19** question.
 10:56:56 **20** Don't answer it. It's wholly outside of
 10:56:59 **21** Ms. Ferkingstad's account. Don't answer it. I
 10:57:01 **22** instruct you not to answer.
 10:57:02 **23** I am going to be to be make a motion, as
 10:57:06 **24** you know, counsel, for the vexatious litigation that
 10:57:07 **25** you're engaging in.
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10:58:18 **1** **A.** Correct.
 10:58:18 **2** **Q.** Did you do anything else?
 10:58:19 **3** **A.** No.
 10:58:20 **4** MR. KLUTHO: She looked at the
 10:58:21 **5** interrogatory answers, counsel.
 10:58:22 **6** **A.** Well yes, the ones you just --
 10:58:24 **7** MR. KLUTHO: Do you want to give them to
 10:58:25 **8** her or not? What is the game you're playing?
 10:58:30 **9** THE WITNESS: I'm very frustrated right now
 10:58:31 **10** so I am sorry if I'm not getting what you're
 10:58:34 **11** answering -- asking me.
 10:58:52 **12** (Exhibit 23 marked for identification.)
 10:58:52 **13** THE WITNESS: Yes, I did review these.
 10:58:55 **14** BY MR. SCHWIEBERT:
 10:58:56 **15** **Q.** What is Exhibit 23?
 10:58:58 **16** MR. KLUTHO: This is the defendant's
 10:58:59 **17** answers to your written discovery, counsel.
 10:59:02 **18** Stipulated.
 10:59:04 **19** **Q.** If you'll turn to page 7. Did you sign this
 10:59:14 **20** document?
 10:59:17 **21** **A.** I believe I did, yes.
 10:59:18 **22** **Q.** Do you know when you signed this document?
 10:59:21 **23** **A.** Probably when it was provided to me.
 10:59:24 **24** **Q.** Do you know when that was?
 10:59:25 **25** **A.** No, I do not recall.
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10:57:09 **1** **Q.** Do you know how many accounts besides Ms.
 10:57:12 **2** Ferkingstad's that you sold -- that you purchased in
 10:57:15 **3** October of 2015?
 10:57:16 **4** MR. KLUTHO: Did you hear the words coming
 10:57:18 **5** out of my mouth? She's not going to answer that
 10:57:20 **6** question. I have instructed her not to answer. It's
 10:57:22 **7** a improper question. You are harassing and abusing
 10:57:25 **8** this witness about issues that have nothing to do
 10:57:28 **9** with Ms. Ferkingstad's account. Move on.
 10:57:37 **10** **Q.** Do you have any additional testimony
 10:57:39 **11** regarding topic number 15 on behalf of ARS?
 10:57:41 **12** MR. KLUTHO: Object to the form of the
 10:57:42 **13** question.
 10:57:43 **14** **A.** No.
 10:57:49 **15** **Q.** Topic number 16. What'd you do to prepare
 10:57:51 **16** to testify on topic number 16?
 10:58:05 **17** MR. KLUTHO: They're not there, but this is
 10:58:06 **18** your answers.
 10:58:07 **19** Do you have them, counsel?
 10:58:08 **20** **Q.** I'm just asking what you did to prepare to
 10:58:09 **21** testify on the topic.
 10:58:12 **22** **A.** I reviewed the information.
 10:58:13 **23** **Q.** And by "reviewed the information" you mean
 10:58:15 **24** you reviewed the things that were attached to the
 10:58:17 **25** Notice of Taking Deposition.
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10:59:26 **1** MR. KLUTHO: Counsel, as you recall, this
 10:59:28 **2** witness had surgery. I believe we've provided to you
 10:59:33 **3** executed copies of the documents. Do you not have
 10:59:38 **4** those, counsel? This witness was out of the office
 10:59:42 **5** for a long time recuperating from significant
 10:59:49 **6** surgery. Do you not have --
 10:59:50 **7** Can you answer my question? Do you not
 10:59:52 **8** have the executed copies? If you don't, I'll get
 10:59:54 **9** them to you.
 10:59:55 **10** **Q.** I just want to make sure I understand your
 10:59:57 **11** answer. You don't know when you signed it.
 10:59:58 **12** **A.** I do not recall.
 11:00:04 **13** **Q.** Interrogatory number 1 seeks to have ARS
 11:00:22 **14** identify and describe the process by which ARS claims
 11:00:26 **15** to have acquired the alleged debt at issue, including
 11:00:33 **16** identifying all dates, the documents effecting the
 11:00:36 **17** transfer and the individuals involved in the transfer;
 11:00:39 **18** correct?
 11:00:40 **19** MR. KLUTHO: You did a very nice job of
 11:00:42 **20** reading that, counsel.
 11:00:42 **21** **A.** Yes. Correct.
 11:00:43 **22** **Q.** Okay. The answer --
 11:00:46 **23** MR. KLUTHO: You don't need to read it. We
 11:00:47 **24** can see it.
 11:00:48 **25** **Q.** -- is two sentences; correct?
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11:00:51 **1** **A.** Correct.

11:00:52 **2** **Q.** The first sentence says: "Ms. Ferkingstad's

11:00:55 **3** account was sold and assigned by Allina to ARS on

11:00:59 **4** October 7th, 2015."

11:01:01 **5** Did I read that correctly?

11:01:02 **6** **A.** Yes, you did, sir.

11:01:04 **7** **Q.** Okay. The next line says: "See documents

11:01:07 **8** produced herein," which is a reference to the

11:01:10 **9** documents that appear in Exhibit 22; correct?

11:01:15 **10** MR. KLUTHO: So stipulated.

11:01:21 **11** I don't have them in front of me, counsel.

11:01:22 **12** You produced a document --

11:01:24 **13** Just let me talk. You produced Exhibit 23

11:01:28 **14** without any attachments. When it was produced to you

11:01:32 **15** it had attachments. Now you have two separate

11:01:34 **16** documents. I don't have the whole thing in front of

11:01:36 **17** me, I don't know what was attached as I sit here

11:01:39 **18** today.

11:01:41 **19** If you want to represent that Exhibit 22 is

11:01:45 **20** what was attached to Exhibit 23, please represent

11:01:48 **21** that, otherwise we don't know as we sit here today.

11:01:54 **22** This witness was not asked to bring the documents to

11:01:58 **23** this deposition.

11:02:01 **24** Is that your representation?

11:02:03 **25** **Q.** Other than what appears in the answer on the

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11:03:46 **1** THE WITNESS: Oh, yes. I did.

11:03:47 **2** MR. KLUTHO: And he's going to beat up on

11:03:49 **3** you for a little while about that.

11:03:51 **4** **A.** All right. Yes. It was not me personally,

11:03:53 **5** it was Teresa Nagle who did that.

11:04:16 **6** MR. KLUTHO: Do you want to make that

11:04:18 **7** correction to your responses on behalf of ARS?

11:04:22 **8** THE WITNESS: Yes.

11:04:24 **9** MR. KLUTHO: Which is what you testified

11:04:25 **10** about earlier today.

11:04:26 **11** THE WITNESS: Correct. Over and over.

11:04:36 **12** MR. KLUTHO: Counsel, do you require a

11:04:37 **13** formal amended response, or is this sufficient?

11:04:40 **14** MR. SCHWIEBERT: If your answers are

11:04:42 **15** incomplete, please correct them and provide them in

11:04:46 **16** an answer which is executed by a witness.

11:04:48 **17** MR. KLUTHO: We're going to allow the

11:04:49 **18** deposition testimony to suffice. You've been sworn,

11:04:53 **19** you've corrected this at the deposition.

11:04:58 **20** You are requiring a vexatious mechanism to

11:05:00 **21** have to go further with that, counsel.

11:05:03 **22** BY MR. SCHWIEBERT:

11:05:03 **23** **Q.** Do you know why you signed -- Well -- No,

11:05:06 **24** you testified you signed it.

11:05:07 **25** Do you know why you signed deposition

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11:02:06 **1** first page of Exhibit 23, does ARS have any other

11:02:15 **2** process by which it claims to have acquired the

11:02:19 **3** Ferkingstad debt?

11:02:20 **4** MR. KLUTHO: Counsel, she's testified all

11:02:22 **5** day today so far about the processes, as did Ms.

11:02:28 **6** Fountain. Those are the processes. I'm not sure

11:02:33 **7** what you're trying to do here.

11:02:37 **8** **Q.** Do you understand the question?

11:02:38 **9** **A.** I do.

11:02:39 **10** **Q.** Is there additional information to be

11:02:41 **11** provided?

11:02:42 **12** **A.** Not that I'm aware of.

11:03:03 **13** **Q.** Interrogatory number 7. Interrogatory

11:03:18 **14** number 7 asks for an identification, who affixed the

11:03:21 **15** letters "Ferkingstad" on the bottom of the Bill of

11:03:26 **16** Sale, and when and how they were affixed there;

11:03:28 **17** correct?

11:03:29 **18** **A.** Yes, it does.

11:03:30 **19** **Q.** Okay. The answer in Exhibit 23 is that you

11:03:34 **20** generated the Bill of Sale. Is that correct?

11:03:39 **21** MR. KLUTHO: You're not on the right page,

11:03:40 **22** Bonnie.

11:03:41 **23** THE WITNESS: Oh.

11:03:43 **24** MR. KLUTHO: This is the correction that

11:03:44 **25** you made where you put Teresa Nagle in there.

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11:05:09 **1** Exhibit 23 if the answer to interrogatory number 7 was

11:05:12 **2** incorrect?

11:05:15 **3** **A.** It was probably overlooked.

11:05:28 **4** **Q.** Document request number 1 --

11:05:32 **5** MR. KLUTHO: What page are you on, counsel?

11:05:34 **6** MR. SCHWIEBERT: Four.

11:05:42 **7** **Q.** -- seeks all documents referring to

11:05:44 **8** Ferkingstad, including but not limited, and there's a

11:05:47 **9** bunch of categories. And the response is, "See

11:05:51 **10** documents produced herein."

11:05:52 **11** MR. KLUTHO: Do you have those documents,

11:05:53 **12** counsel?

11:05:55 **13** **Q.** Your counsel has already stipulated those

11:05:57 **14** are Exhibit 22.

11:05:58 **15** MR. KLUTHO: No. I took that stipulation

11:06:00 **16** away, counsel.

11:06:01 **17** I asked you if you were going to say that

11:06:02 **18** that was -- Exhibit 22 was the documents that were

11:06:05 **19** attached.

11:06:05 **20** **Q.** Other than Exhibit 22, are there any other

11:06:08 **21** documents in ARS's possession that refer or relate to

11:06:11 **22** Ferkingstad and/or her account?

11:06:13 **23** MR. KLUTHO: Don't answer the question.

11:06:14 **24** Counsel won't stipulate that Exhibit 22 is and are

11:06:20 **25** the documents that were attached. And if you won't

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11:06:24 **1** do that, counsel, there's no way that she can answer
 11:06:26 **2** the question.
 11:06:27 **3** MR. SCHWIEBERT: Are you instructing the
 11:06:28 **4** witness not to answer?
 11:06:29 **5** MR. KLUTHO: You heard me, counsel. I
 11:06:30 **6** asked you, just tell me. Is Exhibit 22, because this
 11:06:34 **7** is an incomplete exhibit. What you've got here is
 11:06:37 **8** Exhibit 23, which is wholly incomplete. It doesn't
 11:06:41 **9** have the documents attached. The answer is incap --
 11:06:43 **10** The question is incapable of being answered.
 11:06:46 **11** BY MR. SCHWIEBERT:
 11:06:46 **12** Q. Do you understand the question?
 11:06:47 **13** MR. KLUTHO: It doesn't mat --
 11:06:49 **14** You can't answer the question because there
 11:06:51 **15** are no documents attached.
 11:06:53 **16** A. There are no documents attached to this,
 11:06:56 **17** whatever you call this --
 11:06:58 **18** MR. KLUTHO: Exhibit 22.
 11:06:59 **19** A. -- Exhibit 22, therefore I am --
 11:07:01 **20** MR. KLUTHO: 23.
 11:07:02 **21** A. 23, therefore, I am unable to answer.
 11:07:05 **22** Q. Okay. Other than the documents that appear
 11:07:07 **23** in Exhibit 22, is ARS in possession of any documents
 11:07:13 **24** referring or relating to Ferkingstad and her account?
 11:07:16 **25** MR. KLUTHO: Do you have Exhibit 22,
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11:07:17 **1** counsel?
 11:07:19 **2** Here it is. You want to look it through
 11:07:20 **3** again, we'll go all over that again.
 11:07:26 **4** She's testified about a document that was
 11:07:28 **5** provided to you today. Do you remember that?
 11:07:42 **6** A. Are you asking me was this included in the
 11:07:44 **7** court's files?
 11:07:46 **8** Q. No.
 11:07:46 **9** A. Oh.
 11:07:47 **10** Q. My question is: Certain documents were --
 11:07:50 **11** A. Yes.
 11:07:50 **12** Q. -- produced to the plaintiff. I just want
 11:07:51 **13** to make sure there's not something else we haven't
 11:07:54 **14** seen yet.
 11:07:54 **15** A. Okay. (Witness reviewing exhibit.) I
 11:08:21 **16** didn't -- I didn't see the summons and complaint in
 11:08:23 **17** this document. Do you have it?
 11:08:26 **18** Q. It's the very first page [indicating].
 11:08:29 **19** A. Okay. Not that I'm aware of.
 11:08:31 **20** MR. KLUTHO: Counsel, she made a mistake.
 11:08:33 **21** Please don't laugh at her.
 11:08:35 **22** Why do you keep laughing at my witnesses?
 11:08:39 **23** It is absolutely offensive and improper. Knock it
 11:08:45 **24** off.
 11:09:43 **25** MR. SCHWIEBERT: I need to find the next
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11:09:45 **1** exhibit. Why don't we take a five-minute break while
 11:09:48 **2** I find that exhibit.
 11:09:51 **3** (Recess taken from 11:09 to 11:13 a.m.)
 11:09:51 **4** BY MR. SCHWIEBERT:
 11:13:47 **5** Q. If you can look back at Exhibit 19, the list
 11:13:50 **6** of topics. Other than you've already testified, do
 11:13:56 **7** you have any testimony to provide on behalf of ARS
 11:14:00 **8** regarding topic number 16?
 11:14:02 **9** MR. KLUTHO: Object to the form of the
 11:14:03 **10** question.
 11:14:05 **11** A. No.
 11:14:10 **12** Q. The --
 11:14:13 **13** Exhibit 23, the answers, did you review this
 11:14:23 **14** document and approve it prior to June 16th of 2017?
 11:14:32 **15** A. I do not recall.
 11:14:35 **16** Q. And I'm --
 11:14:36 **17** A. I went out for surgery on June 5th.
 11:14:46 **18** MR. KLUTHO: Counsel, rest assured that I
 11:14:48 **19** worked with this person right here in putting
 11:14:51 **20** together these responses on behalf of ARS --
 11:14:54 **21** THE WITNESS: Yes.
 11:14:54 **22** MR. KLUTHO: -- at a time when she was
 11:14:56 **23** getting ready to go have surgery and go under the
 11:14:58 **24** knife, so just knock it off.
 11:15:42 **25** Q. Exhibit 20 is your declaration; correct?
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11:15:54 **1** A. Yes.
 11:16:02 **2** Q. Just so -- And I'm sorry if you already
 11:16:06 **3** moved away from it.
 11:16:08 **4** If you can look back at Exhibit 19. Topic
 11:16:11 **5** number 7, including the misspelling of your name, is
 11:16:18 **6** your declaration; correct?
 11:16:21 **7** A. Yes.
 11:16:28 **8** Q. Did you draft Exhibit Number 20?
 11:16:33 **9** MR. KLUTHO: Counsel, our office put this
 11:16:35 **10** together on our typewriter, on our computer system.
 11:16:39 **11** A. No, I did not.
 11:16:41 **12** Q. Did you review Exhibit Number 20 for
 11:16:44 **13** accuracy prior to signing it?
 11:16:50 **14** A. I believe I did, yes.
 11:16:53 **15** Q. And you understood that you signed this
 11:16:55 **16** document under penalty of perjury, --
 11:16:57 **17** A. Yes.
 11:16:59 **18** Q. -- the same oath --
 11:17:02 **19** MR. KLUTHO: Counsel, knock it off.
 11:17:03 **20** Q. -- as this deposition; correct?
 11:17:05 **21** MR. KLUTHO: Knock it off. Quit arguing
 11:17:06 **22** with this witness. We're going to stop the
 11:17:09 **23** deposition if you keep this up.
 11:17:14 **24** Q. Do you understand my question?
 11:17:15 **25** MR. KLUTHO: Yes, she understands your
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11:17:17 **1** question. Yes, she understands it's the same darn
 11:17:20 **2** oath. Knock it off.
 11:17:23 **3** **A.** Yes.
 11:17:24 **4** **Q.** You understand you're under oath today as if
 11:17:26 **5** you were before the judge and jury.
 11:17:27 **6** **MR. KLUTHO:** Don't answer the question.
 11:17:29 **7** Ask your next question.
 11:17:32 **8** You understand that she's typing all this
 11:17:34 **9** up, you don't need to keep writing that down.
 11:17:36 **10** **MR. SCHWIEBERT:** Can you sit down, sir?
 11:17:38 **11** **MR. KLUTHO:** Don't tell me what to do.
 11:17:40 **12** **BY MR. SCHWIEBERT:**
 11:17:40 **13** **Q.** You understand that there are false
 11:17:42 **14** statements in your declaration.
 11:17:44 **15** **MR. KLUTHO:** Object to the form of the
 11:17:45 **16** question.
 11:17:46 **17** **Q.** Correct?
 11:17:48 **18** **A.** No, I do not understand that.
 11:17:50 **19** **Q.** Okay. Did you review it in preparing for
 11:17:52 **20** today?
 11:17:53 **21** **A.** Yes.
 11:17:57 **22** **Q.** Paragraph number 4, page 2 of Exhibit 20
 11:18:05 **23** refers to the Bill of Sale; correct?
 11:18:09 **24** **A.** Yes.
 11:18:11 **25** **Q.** And it says --
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11:18:11 **1** **MR. KLUTHO:** "Signed by both parties."
 11:18:13 **2** Watch him. This is going to be exciting.
 11:18:16 **3** **A.** Go ahead. I'm listening.
 11:18:19 **4** **Q.** It says "The document was completed and
 11:18:20 **5** signed by both parties..."; correct?
 11:18:22 **6** **A.** Yes.
 11:18:23 **7** **Q.** Is that a true statement?
 11:18:24 **8** **MR. KLUTHO:** No.
 11:18:25 **9** **A.** No.
 11:18:30 **10** Sir, I'm -- I'm just very frustrated with
 11:18:33 **11** you because you don't seem to understand the big
 11:18:35 **12** picture here. The big picture is Allina is my client,
 11:18:40 **13** I have worked with them for 17 years, we made a
 11:18:44 **14** business decision to purchase debt from them, we did
 11:18:48 **15** our best to compile the necessary paperwork to be
 11:18:53 **16** within the guidelines of purchasing debt. I talked to
 11:18:58 **17** my client about it, I talked to my attorneys about it,
 11:19:02 **18** we proceeded in the best fashion we knew how.
 11:19:07 **19** The issue is Allina purchased Ferkingstad's
 11:19:12 **20** debt -- I mean Reliance purchased -- you've got me so
 11:19:19 **21** frustrated -- Reliance d/b/a ARS, however you want to
 11:19:22 **22** say it, purchased the debt for Ferkingstad from
 11:19:28 **23** Allina. What else do you want me to say? I mean, I
 11:19:32 **24** could sit here for the next four hours with you, what
 11:19:37 **25** I consider badgering me and trying to get me to do
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11:19:43 **1** whatever it is you're trying to get me to do, and I
 11:19:48 **2** don't understand for an attorney who has a Harvard
 11:19:51 **3** degree, why are you doing this to me, can you answer
 11:19:54 **4** me that?
 11:19:59 **5** **Q.** Are you finished?
 11:20:00 **6** **A.** Yes.
 11:20:02 **7** **Q.** Is the statement in paragraph 7 of your
 11:20:08 **8** declaration on page 2 of Exhibit 20 accurate?
 11:20:13 **9** **MR. KLUTHO:** No, counsel, it was typed on
 11:20:14 **10** the bottom. We will stipulate.
 11:20:18 **11** My office prepared this. I made a mistake,
 11:20:21 **12** counsel. If top or bottom has significance in this
 11:20:27 **13** world in this case, so be it. We will stipulate that
 11:20:34 **14** the declaration has the word Ferkingstad referenced
 11:20:38 **15** at the wrong part. Chalk one up for you.
 11:20:50 **16** **MR. SCHWIEBERT:** I have no further
 11:20:51 **17** questions.
 11:20:52 **18** **MR. KLUTHO:** No further questions?
 11:20:52 **19** **EXAMINATION**
 11:20:52 **20** **BY MR. KLUTHO:**
 11:20:54 **21** **Q.** Ms. Drennen?
 11:20:58 **22** **A.** Yes.
 11:20:59 **23** **Q.** Just in general, what is your job title?
 11:21:03 **24** **A.** I am the manager of Reliance Recoveries.
 11:21:07 **25** **Q.** And in your role as the manager of Reliance
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11:21:09 **1** Recoveries, is this what you eat, live and drink every
 11:21:13 **2** day?
 11:21:13 **3** **A.** Every day.
 11:21:15 **4** **MR. KLUTHO:** We'll read and sign.
 11:21:17 **5** **THE REPORTER:** Thank you.
 11:21:20 **6** (Deposition concluded at 11:21 a.m.)
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1 CERTIFICATE

2 I, Debby J. Campeau, hereby certify that I
3 am qualified as a verbatim shorthand reporter; that I
4 took in stenographic shorthand the testimony of
5 BONITA J. DRENNEN at the time and place aforesaid;
6 and that the foregoing transcript consisting of 96
7 pages is a true and correct, full and complete
8 transcription of said shorthand notes, to the best of
9 my ability.

10 Dated at Lino Lakes, Minnesota, this 30th
11 day of October, 2017.

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15 DEBBY J. CAMPEAU
16 Notary Public
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1 SIGNATURE PAGE

2 I, BONITA J. DRENNEN, the deponent, hereby
3 certify that I have read the foregoing transcript,
4 consisting of 96 pages, and that said transcript is a
5 true and correct, full and complete transcription of
6 my deposition, except per the attached corrections,
7 if any.

8 PAGE LINE CHANGE/REASON FOR CHANGE

9 _____
10 _____
11 _____
12 _____
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15 _____
16 _____
17 _____
18 _____
19 _____

20 Date Signature of Witness

21
22 WITNESS MY HAND AND SEAL this _____
23 day of _____, 2017.
24

25 (DJC) _____

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